

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 8 7 9 4 1 0 8

Company name in full Clerkin Civils Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Gary

Surname Ruppington

3 Liquidator's address

Building name/number Prospect House

Street Rouen Road

Post town Norwich

County/Region

Postcode N R 1 1 R E

Country

4 Liquidator's name ①

Full forename(s) Joanne Louise

Surname Hammond

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 3rd Floor

Street Westfield House

Post town 60 Charter Row

County/Region Sheffield

Postcode S 1 3 F Z

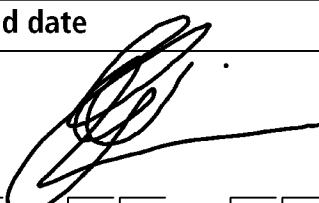
Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	^d	2	^d	8	^m	0	^m	6	^y	2	^y	0	^y	2	^y	2
To date	^d	2	^d	7	^m	0	^m	6	^y	2	^y	0	^y	2	^y	3
7	Progress report															
	<input checked="" type="checkbox"/> The progress report is attached															
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	^d	1	^d	5	^m	0	^m	8	^y	2	^y	0	^y	2	^y	3

LIQ03

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	Luke Carless
Company name	McTear Williams & Wood Limited
Address	Prospect House Rouen Road
Post town	Norwich
County/Region	
Postcode	N R 1 1 R E
Country	
DX	
Telephone	01603 877540



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

Contact Luke Carless
Direct dial 01603 877643
Email lukecarless@mw-w.com

Your ref
My ref cler2621/514

**Prospect House
Rouen Road
Norwich
NR1 1RE
Office 01603 877540
Fax 01603 877549**



To all known creditors/members

15 August 2023

Dear Sirs

Clerkin Civils Ltd (in creditors' voluntary liquidation) ("the Company")

I refer to my appointment as joint liquidator of the Company on 28 June 2022. This is my first annual progress report to creditors and covers the work done during the 12 months to 27 June 2023.

1 Receipts and payments

Attached at Appendix 1 is a copy of my receipts and payments for the period 28 June 2022 to 27 June 2023 which are shown net of VAT.

2 Overview

As detailed in Section 4 I currently estimate that both classes of preferential creditors will be paid in full, the floating charge holder will receive £50,249 and unsecured creditors will receive a dividend. The quantum due to unsecured creditors is uncertain as this is subject to the outcome of ongoing investigations.

3 Assets

3.1 Leasehold land & property

The 30 November 2020 filed accounts show leasehold land and property with a book value of £26,903. This relates to leasehold property improvements which are not possible to recover therefore no further action will be taken.

3.2 Mercedes A Class (KJ18 HGV)

The Company owned a Mercedes A Class which was subject to finance with Mercedes Benz Finance of £24,132. This was valued by George Hazell & Co FRICS certified chartered surveyors, valuers and auctioneers ("GH&Co") at £23,000 which meant there was no equity in the agreement. Mercedes Benz Finance has collected the vehicle and there have been no recoveries for the liquidation.

3.3 Plant & machinery

The 30 November 2020 filed accounts show plant and machinery with a book value of £10,730. The Company's March 2022 fixed asset register showed the plant and machinery consisted of office furniture and equipment and therefore was included in the below valuation. No further recoveries are expected in relation to plant & machinery.

3.4 Furniture & equipment

The 30 November 2020 filed accounts detailed furniture & equipment with a book value of £549 which was valued by GH&Co at £1,500 on an ex-situ basis. These assets have been sold at auction for £980 and no further realisations are anticipated in relation to furniture and equipment.

3.5 Motor vehicles

The Company owned five motor vehicles with a combined book value of £32,158 which were valued by GH&Co at £27,950. These assets were sold at auction for £26,135 and no further funds are expected in this regard.

3.6 Retentions

Prior to liquidation the Company had seven existing contracts of which four were in progress and three were complete. These contracts had outstanding retentions of £1,034,050 and Leslie Keats quantity surveyors and management consultants ("Leslie Keats") were instructed to review the contracts and recover the outstanding retentions. Leslie Keats initially advised the estimated realisable value was £24,000. During the report period I have continued to liaise with Leslie Keats and they have recovered £17,500 to date. They have advised any further recoveries appear unlikely however I shall continue to liaise with Leslie Keats and a further update will be provided in the next report to creditors.

3.7 Book debts

The Company had outstanding debts in relation to applications of £125,739 of the contracts referenced above. Leslie Keats were instructed to review the contracts and recover the outstanding applications. They originally advised the estimated realisable value in relation to book debts was £11,000. No funds have been recovered to date and it is currently uncertain whether any recoveries will be made in this respect. I shall however continue to liaise with Leslie Keats and a further update will be provided in the next progress report.

3.8 VAT refund

The Company was part of a VAT group and a refund was paid by HM Revenue & Customs to a connected company. The sum of £85,991 has been received by the Company after the refund was apportioned between the members of the VAT group.

3.9 Cash at bank

The Company had funds of approximately £1,000 in its pre-appointment bank account which was utilised by the bank to cover bank charges and therefore no funds will be realised in this respect.

3.10 Clerkin Group Ltd – loan account

The Statement of Affairs detailed an outstanding loan of £1,642,414 owed to the Company by Clerkin Group Ltd ("Group") which also entered liquidation on 28 June 2022. The loan was accumulated as a result of various bank transfer, VAT charges in relation to the VAT group and management charges. The claim is currently being reviewed by the joint liquidator, Joanne Hammond of Begbies Traynor (SY) LLP ("Begbies"). Once this is completed a claim will be submitted in the liquidation of Group however a dividend to Group's unsecured creditors is unlikely.

3.11 Funds in MWW client account

Funds of £292,655 have been transferred from McTear Williams & Wood Limited's client account to the liquidation account.

4 Creditors' claims

4.1 Preferential creditors

The Company employed 62 staff who have received payments from the Redundancy Payments Service ("RPS") for amounts owed to them in respect of their arrears of wages and holiday pay. It is expected that a dividend will be paid to preferential creditors in full.

HM Revenue & Customs was ("HMRC") shown as a secondary preferential creditor on the directors' statement of affairs for £55,594. I am currently awaiting HMRC's final claim in the liquidation and it is anticipated that this will be paid in full.

4.2 Floating charge creditors

Lloyds Bank plc ("the Bank") was granted a debenture on 24 November 2015 giving it a fixed and floating charge over the assets of the Company. I instructed Thompson Smith and Puxon ("TSP") to review and confirm the validity of the Bank's charge, which was duly confirmed. I currently anticipate a dividend will be payable to the Bank however this quantum is subject to receipt of the final claim from HMRC and future realisations.

4.3 Unsecured creditors

The directors' statement of affairs showed 140 unsecured creditors with a book value of £2,907,362. 62 claims totalling £2,797,536 have been received to date of which 60 totalling £2,707,270 have been agreed.

There are provisions of the insolvency legislation that require a liquidator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a "floating charge" over its assets. This is known as the "prescribed part of the net property" ("prescribed part"). If the charge is dated on or after 15 September 2003 the prescribed part is calculated as 50% of the first £10,000 of the net property and 20% of the remaining net property up to a maximum of £600,000 unless dated on or after 6 April 2020 in which case it is subject to a maximum of £800,000.

It is not possible to calculate the Company's net property as this is dependent on the final claim received from HMRC and the outcome of the potential recoveries from our investigations. Nevertheless I anticipate that a dividend will be payable to unsecured creditors however the quantum is uncertain.

5 Investigation into the affairs of the Company

The Joint Liquidators have a duty to examine the conduct of the Company and its director in order to identify what assets may be available for realising, including any actions against directors or other parties which may lead to further recoveries into the estate. Such investigations may include analysis of the Company's bank statements, reviewing information provided by third parties and analysis of the Company's management accounting systems. This element of work has involved substantial correspondence with legal advisors instructed by the Company prior to the Joint Liquidators' appointment.

During the period of this report, one of the Company's directors has been adjudged bankrupt and the Joint Liquidators have incurred time liaising with his trustees in bankruptcy.

Where appropriate creditors or other parties may be asked to come forward with information.

The lines of inquiry and work undertaken detailed above is not an exhaustive account of the work undertaken in this regard and is simply an overview of the Joint Liquidators' investigations to date. The Joint Liquidators will provide a more detailed explanation of the work being undertaken in this regard in due time. As the investigations are ongoing, it would be prejudicial to the investigations for the Joint Liquidators to comment in any further detail at this stage. If any creditor wishes to discuss the investigations carried out by the Joint Liquidators to date, they are invited to contact the Joint Liquidators' office and provide their contact details using the following email address Sheffield.north@btguk.com, following which a member of the case team will call the creditor to discuss.

Any financial benefit to creditors in carrying out the above work is unclear at present, however, creditors will receive updates on these matters in the Joint Liquidators' subsequent progress reports.

6 Directors' conduct

The Joint Liquidators were required to submit an online conduct report in accordance with the Company Directors Disqualification Act within 3 months of their appointment. The content of that report is confidential. The Joint Liquidators have complied with their duties in this regard. In order to fulfil this duty, the Joint Liquidators recovered both the Company's physical and electronic records to allow them to carry out their investigations. Any person who is or has been a director or is considered as a de facto or shadow

director of the Company in the three years prior to the insolvency event has also been asked to complete a questionnaire to assist with their investigations.

7 Statutory matters

In accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 I confirm the following:

- Company name: Clerkin Civils Ltd
- Registered office: Prospect House, Rouen Road, Norwich, NR1 1RE
- Registered number: 08794108
- Joint Liquidators: Gary Ruppington of McTear Williams & Wood Ltd and Joanne Louise Hammond of Begbies Traynor (SY) LLP
- Joint Liquidators' addresses: Prospect House, Rouen Road, Norwich, NR1 1RE and 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ
- Joint Liquidators' contact number: 01603 877540
- Date of appointment: 28 June 2022

8 Remuneration and expenses

8.1 Remuneration and expenses

My remuneration as joint liquidator was authorised by creditors on 16 August 2022 by a resolution by correspondence on a time cost basis as set out in my fee estimate of £95,039 and Begbies' fee estimate of £99,618. Those estimates act as a cap and we cannot draw remuneration in excess of that without first seeking approval from creditors. In addition creditors resolved that we be permitted to recover category 2 expenses.

My total time costs from the date of my appointment to 27 June 2023 amount to £84,367 representing 340 hours of work at a blended rate of £248 per hour. Begbies' total time costs from the date of appointment amount to £26,914 representing 99 hours of work at a blended rate of £271 per hour.

I have drawn remuneration of £73,154 to 27 June 2023 and Begbies have drawn £24,294.

Attached at Appendix 2 is a summary of my firm's time costs for the period covered by this report and attached at Appendix 3 is a summary of Begbies' time costs for the report period. Also attached as Appendix 4 are comparisons of the actual time spent with our fee estimates.

As at 27 June 2023 I anticipate that my total time costs will exceed the fee estimate set out in my fee proposal dated 25 July 2022 as more time than originally anticipated has been spent corresponding with the Company's numerous former employees and the RPS regarding redundancy claims. More time than initially estimated has also been spent on administering the Company's post-appointment bank account which relates to the group's VAT refund detailed above and has realised £85,991 for the liquidation estate

and investigating potential claims as noted above which is done with the aim of bringing further recoveries for the benefit of creditors.

However, I do not propose to seek an increased fee at this time.

8.2 Future work

Future work still required is as follows:

Admin and planning – the future routine administrative work required to be carried out includes dealing with general correspondence and queries, case management and case progression reviews, compliance with regulatory requirements and dealing with closure matters. All of this work is required by statute or best practice.

Creditors – the future work required will include statutory reporting, general correspondence with creditors and shareholders, agreeing creditors' claims and paying dividends. Most of this work is required by statute and any dividends paid will be of financial benefit to creditors.

Investigations – the future work required will include finalising matters in relation to the intercompany loan detailed above. This work is required by best practice and to maximise potential returns to creditors.

Realisation of assets – the future work required will consist of establishing the exact position regarding the intercompany loan and finalising matters in relation to the Company's outstanding book debts and retentions. All this work is required by best practice and will be completed with the intention of maximising any returns to creditors.

The relevant creditors' guide to liquidators' fees in a liquidation which came into force in April 2021 and a copy of our trade body R3s 'Insolvency fees and the costs of regulation' guide together with this firm's charging and expenses recovery policy can be found on our website www.mw-w.com by clicking on information hub and then fees and costs or copies can be requested from this office. Our current charge out rates are director £510, associate director/licensed insolvency practitioner £490, associate £470, senior manager/manager £370-£410, assistant manager/senior professional £280-£350, administrator £230, assistant £180, assistant administrator £165 and trainee £85. Our charge out rates are reviewed annually and since 1 January 2003 have increased as detailed in our policy document.

8.3 Liquidation expenses

Details of the liquidation expenses incurred in the period of this report are attached as Appendix 6.

8.4 Further information

Within 21 days from receipt of this report creditors may request further information about the remuneration and expenses set out in the report. The request must be made in writing and made either by a secured creditor or an unsecured creditor or creditors that total at least 5% in value of unsecured creditors or the permission of the Court. Other than in specific circumstances, which if applicable we would explain, we will provide this within 14 days.

In addition within 8 weeks of receipt of the report creditors may apply to Court to challenge the amount and/or basis of the liquidator's fees and the amount of any proposed expenses or expenses already incurred. The application may be made by a secured creditor, or by unsecured creditor(s) that total at least 10% in value of the creditors or with the permission of the Court.

I am required to inform you that I am bound by the Insolvency Code of Ethics and further information on this, complaints procedures, our data protection/privacy statement, provision of services regulations and other statutory regulatory information can also be found on our website by clicking on information hub and then key information for creditors.

9 Closure

The following matters are outstanding:

- Finalising investigations into the Company's affairs and intercompany loan position.
- Finalising matters in relation to the Company's outstanding book debts and retentions.
- Dividends to secured, preferential, secondary preferential and unsecured creditors.
- Closing formalities.

If you require any further information please do not hesitate to contact Luke Carless at the above address.

Yours faithfully



Gary Ruppington
Joint Liquidator

Enclosures

Clerkin Civils Ltd
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 27/06/2023

S of A £		£	£
NIL	SECURED ASSETS		
	Leasehold Land & Property	NIL	NIL
(571,666.63)	SECURED CREDITORS		
	Lloyds Bank Plc	NIL	NIL
23,000.00	HIRE PURCHASE		
(24,132.78)	Mercedes A Class (KJ18 HGV)	NIL	
	Mercedes Benz Finance	NIL	NIL
Uncertain	ASSET REALISATIONS		
1,500.00	Plant & Machinery	NIL	
27,950.00	Furniture & Equipment	980.00	
24,000.00	Motor Vehicles	26,135.00	
11,000.00	Retentions	17,500.00	
	Book Debts	NIL	
	VAT Refund	85,991.39	
1,000.00	Cash at Bank	NIL	
NIL	Clerkin Group Ltd - Loan Account	NIL	
292,734.04	Funds in MWW Client Account	292,654.84	423,261.23
	COST OF REALISATIONS		
	Accountancy/tax advice fees	452.51	
	Appointment takers fees	73,153.50	
	Appointment takers fees (Begbies)	24,293.50	
	Photocopying	310.88	
	Searches and court fees	97.00	
	Agents/Valuers Fees (1)	2,774.00	
	Agents/Valuers Fees (2)	3,172.50	
	Legal Fees (1)	11,598.00	
	Travel & expenses	99.00	
	Stationery & Postage	769.11	
	Bordereau	695.00	
	Re-Direction of Mail	216.00	
	Statutory Advertising	282.30	
	Insurance of Assets	263.20	
	Courier costs	103.92	(118,280.42)
(52,413.87)	SECONDARY PREFERENTIAL CREDITORS		
	HMRC - PAYE/NIC	NIL	NIL
(3,180.04)	SECONDARY PREFERENTIAL CREDITORS		
	HMRC - CIS deductions	NIL	NIL
(25,154.24)	PREFERENTIAL CREDITORS		
	Pref cred - E'ees wages/hol pay	NIL	

Clerkin Civils Ltd
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 27/06/2023

S of A £		£	£
			NIL
	UNSECURED CREDITORS		
(2,388,883.07)	Unsecured cred - Trade and expense	NIL	
(328,162.63)	Unsecured cred - Employees	NIL	
(85,134.22)	Unsecured cred - Directors	NIL	
(105,181.89)	Unsecured cred - Intercompany Loan	NIL	
			NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	
			NIL
(3,202,825.33)			304,980.81
	REPRESENTED BY		
	Estate bank a/c - non interest bearing		282,662.32
	Vat Control Account		22,318.49
			304,980.81

Time Entry - Detailed SIP9 Time & Cost Summary

CLER2621 - Clerkin Civils Ltd
From: 28/06/2022 To: 27/06/2023
All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Assistants & Trainees	Total Hours	Time Cost (£)	Average Hourly Rate (£)
103 : Post appointment bank account	0.00	14.90	6.60	0.60	13.90	36.00	10,237.00	284.36
109 : Standard pre appointment work	0.00	0.10	0.00	0.00	0.00	0.10	38.00	380.00
113 : Appointment formalities	0.00	5.40	6.70	0.40	6.30	18.80	5,281.00	280.90
114 : Checklists & IPS diary	0.00	0.90	2.10	0.80	1.80	5.60	1,458.00	260.36
115 : Case strategy & reviews	0.00	7.40	2.90	1.90	1.30	13.50	4,383.50	324.70
117 : Case progression meetings	0.00	3.50	2.00	0.00	0.70	6.20	2,268.50	365.89
118 : Fees & billing	0.10	2.50	2.80	0.00	4.80	10.20	2,671.00	261.86
120 : Bonding and pre appt insurance	0.00	1.40	0.00	0.70	0.60	2.70	814.00	301.48
Admin & Planning	0.10	36.10	23.10	4.40	29.40	93.10	27,151.00	291.63
503 : Shareholders	0.00	0.10	0.00	0.00	0.40	0.50	109.00	218.00
504 : Secured	0.00	4.20	3.80	0.20	0.50	8.70	3,248.50	373.39
505 : Preferential - adjudicate, declare & pay	0.00	2.80	0.30	1.20	0.00	4.30	1,592.00	370.23
506 : Unsecured - general correspondence	0.00	5.10	5.70	0.20	45.50	56.50	9,358.50	165.64
508 : Employees & RPS	0.00	17.00	11.20	12.90	40.70	81.80	19,864.50	240.40
510 : Unsecured - adjudicate, declare & pay	0.00	0.20	3.70	0.10	5.20	9.20	1,786.00	194.13
513 : Pension	0.00	2.50	0.10	9.30	7.40	19.30	4,227.00	219.02
514 : Reporting to creditors	0.00	1.70	2.30	6.50	5.80	16.30	3,505.00	215.03
515 : VAT / Tax	0.00	1.90	0.00	0.00	0.00	1.90	905.00	476.32
Creditors	0.00	35.50	27.10	30.40	105.50	198.50	44,395.50	223.65
202 : SIP2 / CDDA	0.00	2.70	1.50	0.00	1.60	5.80	1,896.00	326.90
204 : Books and records	0.00	1.50	1.00	0.00	8.30	10.80	1,893.50	175.32
205 : Investigating potential claims	0.00	0.30	2.20	0.00	0.00	2.50	912.00	364.80
Investigations	0.00	4.50	4.70	0.00	9.90	19.10	4,701.50	246.15
301 : Debtors	0.00	2.60	1.10	0.20	0.40	4.30	1,643.00	382.09
306 : Insurance	0.00	1.40	0.80	0.00	0.50	2.70	951.50	352.41
307 : Chattel	0.00	2.60	1.30	0.00	2.00	5.90	1,778.00	301.36
308 : Property	0.00	1.00	0.30	0.20	0.90	2.40	692.50	288.54
311 : Pre appointment bank account	0.00	0.70	0.20	0.00	0.20	1.10	404.00	367.27
318 : Assets not on SoFA	0.00	0.10	0.10	0.00	0.00	0.20	79.00	395.00
319 : Pension / life policies	0.00	0.20	0.00	0.00	0.00	0.20	76.00	380.00
320 : VAT / Tax	0.00	2.20	1.80	0.20	7.90	12.10	2,494.50	206.16
Realisation of Assets	0.00	10.80	5.60	0.60	11.90	28.90	8,118.50	280.92
Total Hours	0.10	86.90	60.50	35.40	156.70	339.60	84,366.50	248.43
Total Fees Claimed							73,153.50	

Time Entry - SIP9 Time & Cost Summary

Category 2 Disbursements

CLER2621 - Clerkin Civils Ltd
All Post Appointment Project Codes
From: 28/06/2022 To: 27/06/2023

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest.

Transaction Date	Type and Purpose	Amount
30/06/2022	Photocopying: Photocopying	53.20
31/07/2022	Travel & expenses: Quarterly mileage claims 01.05.22 - 31.07.22	49.50
	Total	102.70

Staff Grade		Consultant/Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	0.8							3.5		4.3	978.50	227.58
	Administration	5.5	0.2		14.0			5.2	8.6		33.5	10,782.50	321.27
	Total for General Case Administration and Planning:	6.3	0.2		14.0			5.2	12.1		37.8	11,741.00	310.61
Compliance with the Insolvency Act, Rules and best practice	Appointment							4.1	1.1		5.2	970.00	186.54
	Banking and Bonding	0.4			0.4		1.1	0.5	0.8		3.2	855.50	267.34
	Case Closure												0.00
	Statutory reporting and statement of affairs	0.4						1.1			1.5	432.50	288.33
	Total for Compliance with the Insolvency Act, Rules and best practice:	0.8			0.4		1.1	5.7	1.9		9.9	2,258.00	228.08
Investigations	CDDA and investigations	5.5			7.1			26.9	11.4		50.9	12,708.00	249.67
	Total for Investigations:	5.5			7.1			26.9	11.4		50.9	12,708.00	249.67
Realisation of assets	Debt collection												0.00
	Property, business and asset sales												0.00
	Retention of Title/Third party assets												0.00
	Total for Realisation of assets:												0.00
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others	0.2									0.2	109.00	545.00
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	0.2									0.2	109.00	545.00
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors							0.3			0.3	58.50	195.00
	Meetings												0.00
	Other												0.00
	Tax							0.2			0.2	39.00	195.00
	Litigation												0.00
	Total for Other matters:							0.5			0.5	97.50	195.00
	Total hours by staff grade:	12.8	0.2		21.5		1.1	38.3	25.4		99.3		
	Total time cost by staff grade £:	6,976.00	98.00		8,170.00		264.00	7,466.50	3,937.00			26,913.50	
	Average hourly rate £:	545.00	490.00	0.00	380.00	0.00	240.00	195.00	155.00	0.00			271.03
	Total fees drawn to date £:											0.00	

Appendix 4

Clerkin Civils Ltd (in creditors' voluntary liquidation)

Comparison of actual time spent to the anniversary with the fee estimate – McTear Williams & Wood Limited

Insolvency practitioner fee estimate	Note	Estimated hours	Estimated average rate £	Estimated cost £	Actual hours	Actual average rate £	Actual cost £
Admin and planning	1	95	26	24,560	93	292	27,151
Creditors	2	163	310	50,243	199	224	44,396
Investigations	3	11	320	3,410	19	246	4,702
Realisations of assets	4	55	310	16,826	29	281	8,119
		<u>324</u>	<u>293</u>	<u>95,039</u>	<u>340</u>	<u>248</u>	<u>84,367</u>

Comparison of actual time spent to the anniversary with the fee estimate – Begbies Traynor (SY) LLP

Insolvency practitioner fee estimate	Note	Estimated hours	Estimated average rate £	Estimated cost £	Actual hours	Actual average rate £	Actual cost £
Admin and planning	1	90	309	24,560	48	292	13,999
Creditors	2	13	329	50,243	1	207	207
Investigations	3	184	334	3,410	51	250	12,708
Realisations of assets	4	21	297	16,826	0	0	0
		<u>308</u>	<u>324</u>	<u>99,618</u>	<u>100</u>	<u>271</u>	<u>26,914</u>

Notes

The work undertaken on this case includes routine administrative functions, statutory and compliance work required by statute, professional regulatory guidance or is otherwise necessary for the orderly conduct of the proceedings. Whilst this may not produce any direct benefit for creditors it still has to be carried out.

The appendix above details work under the following classifications:

1 Admin & planning

This encompasses work required by statute and necessary for case progression.

I have exceeded the cost detailed in my initial estimate as more time than initially estimated has been spent on administering the Company's post-appointment bank account which relates to the group's VAT refund detailed above and has realised £85,991 for the liquidation estate.

A schedule of routine work typically undertaken is attached as Appendix 5. In the period covered by the report I have dealt with the ticked items.

2 Creditors

This includes statutory reporting, corresponding with creditors and shareholders, agreeing creditors' claims, declaring and paying dividends, creating and updating the list of creditors, responding to enquiries from creditors and shareholders, reviewing completed creditor claim forms, formally admitting and maintaining claim records.

The costs are in line with my estimate.

A schedule of routine work typically undertaken is attached as Appendix 5. In the period covered by the report I have dealt with the ticked items.

3 Investigations

As referred to in section 6 of the report I have completed my statutory obligation to investigate the conduct of the directors and filed my report with the Department for Business Energy & Industrial Strategy. Non-statutory work required includes reviewing the Company's accounting records to identify any potential assets and claims to be pursued for the benefit of creditors.

I have exceeded the cost detailed in my initial estimate as more time than originally anticipated has been spent on investigating potential claims as noted above which is done with the aim of bringing further recoveries for the benefit of creditors however this is a statutory requirement either way.

A schedule of routine work typically undertaken is attached as Appendix 5. In the period covered by the report I have dealt with the ticked items.

4 Realisation of assets

To discharge my duty to realise the assets of the Company this includes identifying, securing, insuring and realising assets, instructing and liaising with agents, reviewing, collecting outstanding debtors and pursuing any antecedent transactions claims identified.

I have not exceeded the cost detailed in my initial estimate as agents have been instructed to assist with the realisation of several assets detailed on the Statement of Affairs which has meant my staff and myself spending less time on those matters.

A schedule of routine work typically undertaken is attached as Appendix 5. In the period covered by the report I have dealt with the ticked items.

Routine work undertaken

Time spent on casework is recorded in 6 minute units under the following categories:

Admin and planning

Statutory and compliance

Carried out in
period of report

- Collating initial information to enable us to carry out our statutory duties including creditor information, details of assets and other information. ☒
- Providing initial statutory notifications of our appointment to the Registrar of Companies, clients, creditors, other stakeholders and advertising our appointment. ☒
- Submitting initial notifications to HM Revenue & Customs. ☒
- Ensuring compliance with statutory obligations arising from the Insolvency Act 1986 within the relevant timescales. ☒
- Arranging for the redirection of the Company's mail. ☒
- Completing closing formalities. ☐

Post appointment bank account

- Setting up estate bank account. ☒
- Preparing and processing vouchers for the payment of post appointment invoices. ☒
- Creating remittances and sending payments to settle post appointment invoices. ☒
- Reconciling post appointment bank accounts. ☒

Checklists & IPS diary

- Use of multiple checklists and standard and modified diaries on our case management software. ☒

Case progression meetings

- Formulating, monitoring and reviewing case strategy and meetings with internal and external parties to agree the same. ☒
- Briefing staff on the case strategy and matters in relation to various work streams. ☒
- Regular reviews of progress and case management including team update meetings and calls. ☒
- Reviews, routine correspondence and other work. ☒
- Allocating and managing staff/case resourcing and reviews. ☒
- Documenting strategy decisions. ☒

Fees & Billing

- Preparation of our fee and expenses estimate. ☒
- Seeking a decision from creditors to fix the basis of remuneration. ☒
- Reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9. ☒

Bonding

- Arranging bonding and, if necessary, reviewing the adequacy of the bond on a quarterly basis.



Note: Insolvency practitioners when appointed to act must have in place a bond which contains provisions whereby a surety or cautioner undertakes to be jointly or severally liable for losses in relation to the insolvent.

Creditors

Shareholders

- Providing notification of appointment and reports to shareholders.
- Responding to enquiries from shareholders.



Secured

- Issuing our initial letter to secured creditors to obtain information and copy charges.
- Considering background to charge and which assets are covered.
- Calculation of the prescribed part and estimated outcomes.
- Agreeing secured creditors claims including checking the validity of security
- Reporting on progress of liquidation.



Preferential – adjudicate, declare & pay

- Agreeing preferential creditors' claims
- Issuing notice of intended dividend, declaring dividend and making payment.
- Accounting to HM Revenue & Customs for tax.



Unsecured – general correspondence

- Seeking to pass resolutions by correspondence and convening and preparing for meetings of creditors if requested.
- Creating and updating the list of unsecured creditors.
- Responding to enquiries from creditors regarding submission of their claims, prospects and paperwork required
- Reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records.



Committee

- Forming a creditors' committee, reporting and liaising as necessary



Employees & RPS

- Dealing with queries from employees regarding various matters relating to their employment if applicable.
- Issuing claim information to employees and assisting employees to complete online applications.
- Correspondence with employees to establish pay during notice period.
- Dealing with statutory employment related matters including obtaining information from Company records, statutory notices to employees and making statutory submissions to the relevant government departments if applicable.



- Reviewing employment contracts. ✓
- Liaising with Job Centre Plus, union representatives and payroll providers. ┐
- Administering the Company's payroll including associated taxation and other deductions and preparing PAYE and NIC returns where applicable. ┐
- Preparing payroll payments for retained staff, dealing with salary related queries and confirming payments with the employee's banks. ┐
- Communicating and corresponding with HM Revenue & Customs. ✓
- Dealing with issues arising from employee redundancies including statutory notifications and liaising with the Redundancy Payments Service if applicable. ✓
- Agreeing employees claims to claims paid by Redundancy Payments Service. ✓
- Managing claims from employees if applicable. ✓
- Processing and agreeing Redundancy Payments Service claims. ✓

Landlords

- Dealing with landlord's claims for arrears of rent, loss of future rent and dilapidations. ┐

Unsecured – adjudicate & pay

- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims. ┐
- Agreeing/rejecting secured/preferential/client/unsecured claims. ┐
- Corresponding with rejected claims. ┐
- Dealing with disputed claims which would materially affect the dividend to other creditors. ┐
- Issuing a notice of intended dividend and placing an appropriate gazette notice. ┐
- Calculating, declaring and paying a dividend to creditors. ┐

Pension

- Requesting information from pension company and establishing if any claims. ┐
- Collating information and reviewing the Company's pension schemes where applicable. ✓
- Ensuring compliance with our duties to issue statutory notices. ✓
- Calculating employee pension contributions and review of pre-appointment unpaid contributions if applicable. ┐
- Communicating with employees' representatives concerning the effect of the insolvency on pensions ┐

Reporting to creditors

- Preparing statutory receipts and payment accounts. ✓

- Preparing progress reports to members and creditors and filing with Court/Registrar as appropriate.



Investigations

SIP 2/ CDDA

- Reviewing pre appointment transactions.
- Reporting on the director's conduct to the Insolvency Service.
- Reviewing the questionnaires submitted by the directors of the Company.



Books & records

- Locating relevant Company books and records, arranging for their collection, listing records and dealing with ongoing storage.
- Collating information from the Company's records regarding assets and /or investigations.



Investigating potential claims

- Identifying possible causes of action which could lead to a return to creditors.
- Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties such as banks, accountants, solicitors etc.
- Considering and discussing merits of potential claims with solicitors.
- Identifying heads of claims.
- Interrogating the books and records to provide evidence, meetings with the directors over a number of months to negotiate a settlement of the claims.
- Instructing solicitors to advise on the merits of the claim and if appropriate to commence action on the claim.
- Preparing documents of solicitors and editing draft witness statements and reviewing other documents.



Realisation of assets

Debtors

- Reviewing outstanding debtors and agreeing debt collection strategy.
- Considering the debtor recoveries position reached and appropriateness of debt collection strategy.
- Liaising with Company credit control staff.
- Communicating with debtors.
- Reconciling the sales ledger control account.
- Locating and copying invoices.
- Researching queries identified by debtors and agreeing to credit notes and/or disputing the queries.
- Seeking legal advice in relation to book debt collections if applicable.
- Considering merits of taking legal action and pursuing as appropriate, considering or providing further evidence as required.
- Reviewing the inter-company debtor position between the Company and other group companies if applicable.



- Identifying and realising debts that are not trade debts or director loan accounts, if shown on the statement of affairs.



Business sale

- Planning the strategy for the sale of the business and assets including instruction and liaison with professional advisers.
- Collating relevant information and drafting information memorandum in relation to the sale of the Company's business and assets and advertising the business for sale if applicable.
- Identifying interested parties by reference to information provided by the directors, our own contacts and research of interested buyers.
- Sending out memorandums to interested parties and collating return of confidentiality letters.
- Chasing up interest and sending additional information.
- Dealing with queries from interested parties and managing the information flow to potential purchasers if applicable.
- Managing site visits with interested parties, fielding due diligence queries and maintaining a record of interested parties if applicable.
- Consideration of offers.
- Carrying out sale negotiations with interested parties if applicable.
- Instructing solicitors to draft sale and purchase agreement.
- Issuing press releases and posting information on our website/IP-bid as appropriate.
- Addressing potential ROT claims arising and other contract specific matters in the sale and purchase agreement.
- Agreeing and signing documents, monitoring the terms of sale and collecting the consideration.



Insurance

- Arranging ongoing insurance for the Company's business and assets.
- Liaising with post appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place.
- Reviewing whether any insurance premiums due.
- Assessing the level of insurance premiums.



Chattel

- Liaising with agents regarding the sale of assets.
- Dealing with any third party claims.



Property

- Reviewing the Company's leasehold properties including review of leases if applicable.
- Communicating with landlords regarding rent, property occupation and other issues if applicable.
- Performing land registry searches if applicable.
- Securing, insuring and making ready for sale.



- Instructing agents to market, reviewing marketing materials and considering the most appropriate method of sale. ┐
- Instructing solicitors. ┐
- Liaising with secured creditors. ┐
- Dealing with tenants and utility companies. ┐
- Considering offers and negotiating heads of terms for sale. ┐
- Consider, review and amend sale contracts. ┐
- Dealing with rating authorities, planning issues and environmental issues. ┐
- Reviewing completion statement, paying fees and costs of solicitors and agents and secured creditors' claims. ┐

ROT claims

- Receiving and responding to claims from creditors that claim to have retained title to goods supplied. ✓
- Establishing terms of business and assets on site. ✓

Pre appointment bank account

- Liaising with the bank regarding transfer of funds and the closure of pre appointment bank accounts. ✓
- Dealing with the Company's pre appointment account. ✓

Directors' loan account

- Identifying from the Company's books and records. ┐
- Interrogating Company's books and records to substantiate the claims in the accounts. ┐
- Interviewing the directors and considering investigating and responding to possible defences put forward. ┐
- Meetings with the directors to negotiate settlement of the debt. ┐
- Instructing solicitors and editing witness statements for Court. ┐
- Collecting monies owed by directors ┐

Assets not on statement of affairs

- Dealing with assets identified following appointment which were not detailed on the statement of affairs. ✓

VAT & tax

- Gathering initial information from the Company's records in relation to taxation. ✓
- Corresponding with the Company's former accountants, HM Revenue & Customs and directors to understand and obtain copies of the previous tax returns and accounts. ✓
- Calculating and claiming VAT bad debt relief. ┐
- Calculating and claiming corporation tax terminal loss relief. ┐
- Reviewing the Company's pre-appointment corporation tax and VAT position. ✓

- Analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations. ┐
- Analysing VAT related transactions. ✓
- Dealing with post appointment tax returns and compliance. ✓
- Prepare or instruct accountants to prepare tax returns to reclaim tax. ┐

Trading

Strategy and management

- Monitoring and controlling the day to day trading of the business. ┐
- Preparing cash flow statements to monitor the cash position. ┐
- Securing petty cash on site and monitoring spend. ┐
- Dealing with issues in relation to stock and other assets required for trading. ┐
- Monitoring stock and stock reconciliations. ┐
- Monitoring ongoing trading including attending site. ┐
- Attending to supplier and customer queries and correspondence. ┐
- Dealing with hauliers to ensure ongoing services. ┐
- Ensuring ongoing provision of emergency and other essential services to site. ┐
- Ongoing health and safety compliance. ┐
- Dealing with landlord and property issues. ┐
- General management and supervision of trading carried out by our staff based on site. ┐
- Compliance with legal and licensing obligations and ongoing monitoring. ┐
- To do all such other things as may be necessary or expedient for the management of the affairs, business and property of the company. ┐

Employees

- Liaising with staff and trade unions. ┐
- Setting up a new RTI registration for the business with HMRC and submitting relevant information in respect of wages and salaries paid. ┐

Utilities/purchases

- Attending to supplier and customer queries and correspondence. ┐
- Raising, approving and monitoring purchase orders and setting up control systems for trading. ┐
- Negotiating and making direct contact with various suppliers as necessary to provide additional information and undertakings, including agreeing terms and conditions in order to ensure continued support. ┐

Sales/contracts

- Communicating and negotiating with customers regarding ongoing supplies including agreeing terms and conditions. ┐

Clerkin Civils Ltd (in creditors' voluntary liquidation)

Liquidation expenses

I have incurred expenses in the period covered by the report of £20,867.

The major areas of expenditure incurred in the period of this report and the reasons why these were incurred were:

- Thompson Smith and Puxon provided legal advice on the validity of the debenture held by Lloyds Bank plc and were also instructed to defend several Employment Tribunal claims from former employees of the Company. Their costs were agreed on a time costs basis plus VAT and to date they have been paid £11,598 plus VAT.
- Leslie Keats were instructed to pursue the Company's outstanding book debts and retentions as detailed above. Their costs have been agreed on the basis of a fixed fee of £3,173 plus VAT as well as 30% plus VAT of sums recovered. To date they have been paid £8,422 plus VAT.
- George Hazell & Co valued and sold the Company's assets as detailed above. Their costs were agreed on the basis of 10 % commission plus expenses plus VAT and they have been paid £2,774 plus VAT.

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I consider their expertise and reputation are sufficient for me to rely on their judgement. I also consider their fees represented value for money and am satisfied that they are reasonable in the circumstances of this case.

Detailed below is a schedule of the expenses incurred in the liquidation during the period covered by this report together with a comparison of my estimated expenses as shown in my fee and expenses estimate dated 25 July 2022 and total expenses incurred from the commencement of the liquidation to 27 June 2023.

As at 27 June 2023 I have exceeded the total expenses estimated in my fee proposal as the legal fees paid to Thompson Smith and Puxon were higher than originally anticipated due to the additional employment tribunal claims received following the rejection of claims from the Redundancy Payments Service.

Schedule of expenses incurred

Nature of expense	Details	Estimated expenses	Expenses brought forward	Expenses incurred in period	Total expenses incurred	Expenses paid in period	Expenses carried forward
		£	£	£	£	£	£
Professional fees							
Legal fees	Thompson Smith and Puxon	1,500	NIL	11,598	11,598	11,598	NIL
Debt collection	Leslie Keats	8,000	NIL	3,173	3,173	3,173	NIL
Agents fees	George Hazell & Co	4,418	NIL	2,774	2,774	2,774	NIL
		<u>13,918</u>	<u>NIL</u>	<u>17,545</u>	<u>17,545</u>	<u>17,545</u>	<u>NIL</u>
Sundry expenses							
Stationery and postage	Royal Mail	800	NIL	769	769	769	NIL
Mail redirection	Royal Mail	216	NIL	216	216	216	NIL
Statutory advertising	Courts Advertising	376	NIL	282	282	282	NIL
Bordereau insurance	Marsh Ltd	375	NIL	695	695	695	NIL
Searches and court fees	HM Land Registry	11	NIL	97	97	97	NIL
Insurance of assets		1,000	NIL	263	263	263	NIL
Accountancy/tax advice fees		-	NIL	486	453	453	33
Courier costs		-	NIL	104	104	104	NIL
		<u>2,778</u>	<u>NIL</u>	<u>2,912</u>	<u>2,879</u>	<u>2,879</u>	<u>33</u>
Category 2 expenses							
Photocopying	McTear Williams & Wood Limited	310	NIL	311	311	311	NIL
Travel/mileage	McTear Williams & Wood Limited	50	NIL	99	99	99	NIL
		<u>360</u>	<u>NIL</u>	<u>410</u>	<u>410</u>	<u>410</u>	<u>NIL</u>
		<u>17,056</u>	<u>NIL</u>	<u>20,867</u>	<u>20,867</u>	<u>20,834</u>	<u>33</u>