

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

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07/03/2020

#164

COMPANIES HOUSE

1	Company details	
Company number	1 0 6 8 8 1 3 0	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	BGM Contractors Ltd	
2	Liquidator's name	
Full forename(s)	Peter	
Surname	Kubik	
3	Liquidator's address	
Building name/number	Quadrant House	
Street	4 Thomas More Square	
Post town	London	
County/Region		
Postcode	E 1 W 1 Y W	
Country		
4	Liquidator's name ①	
Full forename(s)	Myles	① Other liquidator Use this section to tell us about another liquidator.
Surname	Jacobson	
5	Liquidator's address ②	
Building name/number	Quadrant House	② Other liquidator Use this section to tell us about another liquidator.
Street	4 Thomas More Square	
Post town	London	
County/Region		
Postcode	E 1 W 1 Y W	
Country		

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6 Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

:

7 Final account

☒ I attach a copy of the final account.

8 Sign and date

Liquidator's signature

Signature

X

[Handwritten signature]

X

Signature date

d 0

d 6

m 0

m 3

y 2

y 0

y 2

y 0

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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

Peter Kubik

Company name

UHY Hacker Young LLP

Address

Quadrant House

4 Thomas More Square

Post town

London

Country/Region

Postcode

E 1 W 1 Y W

Country

United Kingdom

DX

Telephone

020 7216 4600



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

**BGM CONTRACTORS LTD
IN CREDITORS' VOLUNTARY LIQUIDATION**

Final account

6 January 2020

Contents

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1. EXECUTIVE SUMMARY

- 1.1 This report details the acts and dealings of the Liquidator during the period 24 April 2019 to 6 January 2020 ('the Review Period') together with the entirety of the Liquidation and should be read in conjunction with previous correspondence to creditors.
- 1.2 A summary of key information in this report is detailed below and statutory information regarding the Company is available at appendix 1.

Assets

Asset	Estimated to realise per Statement of Affairs (£)	Total realisations (£)
Book debts	Uncertain	-
Cash at bank	7,000.00	7,008.82
Contribution from director	-	3,000.00
Bank interest	-	0.49
Total	7,000.00	10,009.31

Expenses / disbursements

Expense / disbursement	Amount per fees and expenses estimates (£)	Total expense (£)
Statement of Affairs fee	10,000.00	10,000.00
Liquidator's time costs	13,400.00	5,110.50
Advertising	160.40	240.60
Bank charges	30.00	-
Bonds	25.00	40.00
Document storage	500.00	-
Creditor Gateway	30.00	-
VisionBlue	110.00	110.00
Total	24,255.40	15,501.10

Dividend prospects

Creditor class	Distribution / dividend paid to date
Secured creditor	-
Preferential creditors	-
Unsecured creditors	-

Closure

- 1.1 All matters within the liquidation have been concluded.

2. ADMINISTRATION AND PLANNING

Statutory information

- 2.1 Statutory information may be found at appendix 1.
- 2.2 The Joint Liquidators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found in appendix 3.
- 2.3 The Joint Liquidators have met their statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.
- 2.4 During the Review Period, the following key documents have been issued:-
- The report presented to creditors prior to the appointment of a liquidator; and
 - This progress report.

Other administration tasks

- 2.5 During the Review Period, the material task in this category carried out was periodic case reviews.

3. ENQUIRIES AND INVESTIGATIONS

- 3.1 During the Review Period, the Joint Liquidators carried out an initial review of the Company's affairs in the period prior to appointment. This included seeking information and explanations from the director by means of a questionnaire; making enquiries of the Company's accountants; reviewing information received from creditors; and collecting and examining the Company's bank statements, accounts and other records.
- 3.2 The director did not provide the books and records or a completed questionnaire.
- 3.3 This work was also carried out with the objective of making an initial assessment of whether there were any matters that may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

- 3.4 This initial assessment has been completed and the Joint Liquidators did not identify any further assets or actions which might lead to a recovery for creditors.

4. REALISATION OF ASSETS

- 4.1 Detailed below is key information about asset realisation and strategy, however, more details about the work undertaken may be found at appendix 3. The Joint Liquidators formulated and worked through a realisation strategy that sought to maximise realisations net of costs. The financial benefit of those efforts is described further below.

Asset realisations

Book debts

- 4.2 The Company had debtors with a book value of £42,001 although had an uncertain estimated to realise value. Following investigation, the debtor related to one company which was in liquidation. The liquidator subsequently advised that there would be no dividend available, therefore, no realisations were available in this matter.

Cash at bank

- 4.3 The sum of £7,008.82 was transferred from the Company's account to the Liquidation estate.

Contribution from director

- 4.4 The sum of £3,000.00 was received from the director personally in order to settle the additional costs incurred in holding more than one meeting to place the Company into liquidation.

Bank interest

- 4.5 Bank interest in the sum of £0.49 was earned during the Review Period.

5. FEES AND EXPENSES

Statement of Affairs fee

- 5.1 The creditors authorised the fee of £10,000.00 for assisting the director in placing the Company into liquidation and with preparing the Statement of Affairs on 24 April 2019.
- 5.2 This has been paid in full from the assets of the Company and a contribution from the director personally.

Joint Liquidators' fees

- 5.3 It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a manager and partner then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a manager or partner.
- 5.4 The basis of the Joint Liquidators' fees was approved by creditors on 24 April 2019 in accordance with the following resolution:-
- That the basis of the Joint Liquidators' fees be fixed by reference to the time properly given by the Joint Liquidators and their staff in attending to matters arising in the winding-up, such time to be charged at the prevailing standard hourly charge out rates used by UHY Hacker Young LLP at the time when the work is performed, estimated to be £13,400.00 plus VAT.
- 5.5 The time costs for the Review Period totals £5,110.50, representing 24.30 hours at an average hourly rate of £210.31, and remains outstanding. The time costs for the period are detailed at appendix 4 and a comparison between the original estimate and time costs to date is given at appendix 5.
- 5.6 Having regard for the costs that are likely to be incurred in bringing this Liquidation to a close, the Joint Liquidators consider that neither the original fee estimate nor the original expenses estimate has been exceeded.

Disbursements

- 5.7 The disbursements that have been incurred during the Review Period are detailed on appendix 6. Also included in appendix 6 is a comparison of the expenses incurred in the Liquidation as a whole together with the original expenses estimate and with reasons where any expenses have exceeded that estimate.
- 5.8 The category 1 disbursements incurred in the Review Period total £390.60 of which £9.31 was paid and the balance remains outstanding. These represent the simple reimbursement of actual out of pocket payments made in relation to the assignment.
- 5.9 The category 2 disbursements for the Review Period total £115.00 and remain unpaid. Approval was given by creditors on 24 April 2019 and the basis of calculation of this category of disbursement was disclosed to creditors prior to the resolution being passed and is also detailed at appendix 6.
- 5.10 Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors' Guide to Fees'

may be found at <https://www.uhy-uk.com/wp-content/uploads/Liquidations-Creditor-Fee-Guide-April-2017.pdf>. A hard copy of may be obtained on request.

6. CREDITORS

- 6.1 Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Joint Liquidators have had to carry out key tasks which are detailed in the list at appendix 3. The following sections explain the anticipated outcomes to creditors and any distributions paid.

Secured creditors

- 6.2 The Company has not granted any charges over its assets.

Preferential creditors

- 6.3 Preferential claims relate to employees' arrears of wages and outstanding holiday pay. As the Company had no employees, no preferential claim has arisen.

Prescribed part

- 6.4 Where a floating charge is created after 15 September 2003 a prescribed part of the company's net property shall be made available to unsecured creditors. As the Company has not granted a floating charge to any creditor after 15 September 2003 and consequently there will be no prescribed part in this Liquidation.

Unsecured creditors

- 6.5 The trade and expense creditors as per the statement of affairs totalled £51,289.00. Claims in the sum of £333,000.00 were received, including a claim of £303,000.00 from HM Revenue and Customs.
- 6.6 As no dividend is available to unsecured creditors, the claims received have not been adjudicated on.

7. CREDITORS' RIGHTS

- 7.1 An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Joint Liquidators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.
- 7.2 An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Joint Liquidators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of

this report. Any secured creditor may make a similar application to court within the same time limit.

8. EU REGULATIONS (WHETHER PROCEEDINGS ARE MAIN PROCEEDINGS OR TERRITORIAL)

- 8.1 The Company's centre of main interest was in the UK and their registered office was 28 Suite 106, Park Street, Luton, LU1 3FL and therefore it is considered that the EU Regulations will apply. These proceedings are main proceedings as defined in Article 3 of the EU Regulation.

9. CONCLUSION

- 9.1 The administration of the case has concluded.
- 9.2 If you require any further information, please contact this office.



Peter Kubik
Joint Liquidator

Appendix 1 - Statutory information

Company name	BGM Contractors Ltd
Former trading name	Not applicable
Company number	10688130
Registered office	Quadrant House, 4 Thomas More Square, London, E1W 1YW
Former registered office	28 Suite 106, Park Street, Luton, LU1 3FL
Officeholders	Peter Kubik and Myles Jacobson
Officeholders' address	Quadrant House, 4 Thomas More Square, London, E1W 1YW
Date of appointment	24 April 2019

Appendix 2 - receipts and payments account for the period 24 April 2019 to 6 January 2020

S of A £		£
	RECEIPTS	
7,000	Cash at Bank	7,008.82
NIL	Bank Interest Gross	0.49
NIL	Contribution from director	3,000.00
7,000		<u>10,009.31</u>
	PAYMENTS	
	Statement of Affairs Fee	(10,000.00)
	Statutory Advertising	(9.31)
		<u>(10,009.31)</u>
	BALANCE HELD IN NON INTEREST BEARING ACCOUNT	<u>NIL</u>

Appendix 3 - detailed list of work undertaken for the period 24 April 2019 to 6 January 2020

Below is detailed information about the tasks undertaken by the Joint Liquidators.

General description	Includes
Statutory and general administration	
Statutory/advertising	Filing of documents to meet statutory requirements including annual receipts and payments accounts Corporation tax returns VAT returns Advertising in accordance with statutory requirements Bonding the case for the value of the assets
Document maintenance/file review/checklist	Filing of documents Periodic file reviews documenting strategy Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening and closing account Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Closure	Review case to ensure all matters have been finalised Draft final account Obtain clearance to close case from HMRC together with submitting final tax return File documents with Registrar of Companies
Realisation of assets	
Cash at bank	Letters to bank requesting transfer of funds Review of bank statements to ascertain credit balance
Debtors	Correspondence with liquidator re asset position Review of debtor's statement of affairs
Investigations	
SIP 2 Review	Requesting books and records from director and accountants On-going correspondence for collection of books and records Correspondence to request information on the company's dealings, making further enquiries of third parties

General description	Includes
	Reconstruction of financial affairs of the company Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions
Statutory reporting on conduct of director(s)	Preparing statutory investigation reports Liaising with Insolvency Service Submission of report with the Insolvency Service Preparation and submission of supplementary report if required Assisting the Insolvency Service with its investigations
Creditors and distributions	
Creditor Communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Assisting employees to pursue claims via the RPO Corresponding with the PPF and the Pensions Regulator
Dealing with proofs of debt	Receipting and filing POD when not related to a dividend Corresponding with RPO regarding POD when not related to a dividend

Current charge-out rates for the firm

Time charging policy

Support staff do not charge their time to each case.

Support staff include cashier, secretarial and administration support.

The minimum unit of time recorded is 6 minutes.

Staff	Charge out rates £
Insolvency Practitioner/Partners	340-750
Directors	275-400
Senior Manager	255-320
Manager	175-300
Assistant Manager	165-250
Senior Administrator	135-250
Administrator	80-150
Junior Administrator	70-85

Appendix 4 - Time cost information for period 24 April 2019 to 6 January 2020

Classification of work function	Partner Hours	Director Hours	Manager Hours	Asst Manager Hours	Snr Administrator Hours	Administrator Hours	Junior Administrator Hours	Total Hours	Total Cost £	Avg Hourly Rate £
Administration & Planning										
Administrative Setup	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Appointment Notification	1.00	0.00	0.00	2.10	0.00	0.00	0.00	3.10	935.00	305.03
Case Planning	0.70	0.00	0.00	2.80	0.00	0.00	0.00	3.50	986.50	281.56
Maintenance of Records	0.00	0.00	0.10	0.90	0.50	0.00	0.00	1.00	235.00	235.00
Statutory Reporting	0.50	0.00	2.30	0.00	0.00	0.50	1.90	5.20	1,074.50	206.63
Realisation of Assets										
Debt Collection	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.50	132.00	264.00
Securing, Insuring Assets	0.00	0.00	0.00	0.30	0.00	0.30	0.00	0.60	165.00	275.00
Property, business, and asset sales	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Retention of Title	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors										
Communication with Creditors	0.00	0.00	0.00	0.10	0.00	0.00	0.00	0.10	23.00	230.00
Creditors' Claims	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations										
SIP 2 Review	0.00	0.00	0.00	0.50	0.00	0.00	2.50	3.10	2,000.00	645.16
Antecedent Transactions	0.00	0.00	0.00	0.00	0.00	1.00	0.00	1.00	12.00	12.00
CDDA Reports	0.50	0.00	0.00	3.00	0.00	0.30	7.40	6.20	1,265.00	204.19
TOTAL HOURS	2.70	0.00	2.40	10.20	0.90	2.10	6.90	24.30		
TOTAL TIME CHARGED (£)	£1,285.50	£0.00	£672.00	£2,421.00	£0.00	£252.00	£483.00		£5,110.50	
Average hourly cost (£)	475.00	0.00	280.00	237.35	0.00	120.00	70.00			210.11

All figures are shown net of VAT

Appendix 5 - time costs summary for period, cumulative and comparison with estimate

Work category	Original fees estimate			Actual time costs incurred during the Review Period			Total time costs incurred to date		
	No. of hours	Blended hourly rate £/hour	Total fees £	No. of hours	Average hourly rate £/hour	Total time costs £	No. of hours	Average hourly rate £/hour	Total time costs £
Administration	15	335.00	5,025.00	12.80	254.21	3,254.00	12.80	254.21	3,254.00
Realisation of assets	7	335.00	2,345.00	1.10	200.00	220.00	1.10	200.00	220.00
Creditors	10	335.00	3,350.00	0.10	230.00	23.00	0.10	230.00	23.00
Investigations	8	335.00	2,680.00	10.30	156.65	1,613.50	10.30	156.65	1,613.50
Total	40	335.00	13,400.00	24.30	210.31	5,110.50	24.30	210.31	5,110.50

Appendix 6 - expenses summary for period, cumulative & comparison with estimate

Below are details of the Joint Liquidators' expenses for the period under review and the total to date.

Expenses / disbursements	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Expenses and category 1 disbursements				
Advertising	160.40	240.60	240.60	Calculation based on two adverts rather than three
Bank charges	30.00	-	-	
Bonding	25.00	40.00	40.00	Incorrectly calculated
Document storage	500.00	-	-	
Creditor Gateway	30.00	-	-	
VisionBlue	110.00	110.00	110.00	
Total	855.40	390.60	390.60	
Category 2 disbursements				
Accounting fees	1,500.00	-	-	
Internal storage	50.00	50.00	50.00	
Internal meeting room	65.00	65.00	65.00	
Total	1,615.00	115.00	115.00	