

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

THURSDAY



\*A746XLK8\*

A20

19/04/2018

#14

COMPANIES HOUSE

### 1 Company details

Company number 0 6 5 4 9 5 3 4

Company name in full Barroerock Construction Limited

→ Filling in this form  
Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Alan

Surname Simon

### 3 Liquidator's address

Building name/number Langley House

Street Park Road

Post town London

County/Region

Postcode N 2 8 E Y

Country

### 4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator  
Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator  
Use this section to tell us about  
another liquidator.

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**6** Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 1	<sup>m</sup> 0	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 7
To date	<sup>d</sup> 2	<sup>d</sup> 0	<sup>m</sup> 0	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 8

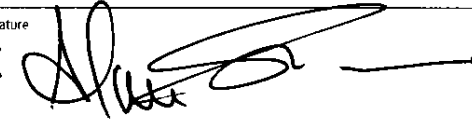
**7** Progress report

☒ The progress report is attached

**8** Sign and date

Liquidator's signature

Signature

X  X

Signature date	<sup>d</sup> 1	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 4	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 8
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## 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 **Jenni Lane**Company name **AABRS Limited**Address **Langley House  
Park Road**Post town **London**

County/Region

Postcode **N 2 8 E Y**

Country

DX

Telephone **020 8444 2000****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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

**Liquidator's Annual  
Progress Report to  
Creditors & Members**

**Barroerock Construction Limited  
- In Liquidation**

**17 April 2018**

## **BARROEROCK CONSTRUCTION LIMITED - IN LIQUIDATION**

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## **BARROEROCK CONSTRUCTION LIMITED - IN LIQUIDATION**

### **1 Introduction and Statutory Information**

- 1.1 I, Alan Simon of AABRS Limited, Langley House, Park Road, London, N2 8EY, was appointed as Liquidator of Barroerock Construction Limited (the **Company**) on 21 February 2017. This progress report covers the period from 21 February 2017 to 20 February 2018 (**the Period**) and should be read in conjunction with any previous progress reports which have been issued.
- 1.2 The principal trading address of the Company was Unit 6e, Ocean House, Bentley Way, New Barnet, Herts, EN5 5FP.
- 1.3 The registered office of the Company has been changed to Langley House, Park Road, East Finchley, London, N2 8EY and its registered number is 06549534.

### **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 At Appendix A is my Receipts and Payments Account for the Period.
- 2.3 Attached at Appendix B is a time analysis outlining the time spent by the Liquidator and his staff during the period of this report.
- 2.4 Further information about the basis of remuneration agreed in this case and the Liquidator's fees estimate can be found in section 4 of this report, together with any relevant information about revisions to this estimate, where applicable.

#### ***Administration (including statutory compliance & reporting)***

- 2.5 An office holder must comply with certain statutory obligations under 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.
- 2.6 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 Liquidator.
- 2.7 Some of the work undertaken by an insolvency practitioner is required by statute and may not necessarily provide a financial benefit to creditors, but is required on every case by statute. Examples of this work include investigations required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 or dealing with the claims of the former employees via the National Insurance Fund.
- 2.8 Below are details of the work I have undertaken during the reporting period:-
  - (i) Notifying creditors of the liquidator's appointment and other associated formalities including statutory advertising and filing relevant statutory notices at Companies House;
  - (ii) Preparing and issuing annual progress reports to members and creditors;

**BARROEROCK CONSTRUCTION LIMITED - IN LIQUIDATION**

- (iii) Lodging periodic returns with the Registrar of Companies for the liquidation;
- (iv) Complying with statutory duties in respect of the liquidator's specific penalty bond;
- (v) Creation and update of case files on my firm's insolvency software;
- (vi) Redirection of the company's mail to the liquidator's office;
- (vii) Securing the Company's books and records;
- (viii) Completion and filing of the notice of the Company's insolvency to HMRC;
- (ix) Pension regulatory reporting and auto-enrolment cancellation;
- (x) Initial assessment required by the Statement of Insolvency Practice 2 ("SIP 2") and the Company Directors Disqualification 1986 (CDDA) including review of the company's books and records and the identification of potential asset realisations which may be pursued in the liquidation;
- (xi) Periodic case progression reviews;
- (xii) Opening, maintaining the liquidation estate cashbook and bank account;
- (xiii) Dealing with all post-appointment VAT and corporation tax compliance;
- (xiv) Preparing an estimate of my fees and seeking a decision of the Company's creditors to fix the basis of my remuneration and approve the drawing of Category 2 disbursements;
- (xv) Instructing a firm of agents, CAPA Ltd, to identify and rates refunds due to the Company and correspondence regarding the same;
- (xvi) Liaising with the Company's bankers to secure copy bank statements and remittance of the credit balance held;
- (xvii) Instructing a firm of agents, Robson Kay Associates Ltd, to undertake a review of the two sales of assets to connected parties that took place prior to my appointment and corresponding with the Director and former Director regarding the same;
- (xviii) Instructing a firm of Quantity Surveyors, Leslie Keats, to assist me in the collection of the Company's book debts/retentions and liaising with them and the Director and former Director regarding the same;
- (xix) Corresponding with relevant parties regarding i) the claim against the Company by the HSE and ii) claims against the Company being dealt with by its insurers; instructing a firm of solicitors, Fletcher Day, to assist me in this regard and liaising with them and the Director and former Director regarding the same;
- (xx) Corresponding with HM Revenue & Customs regarding their claim for VAT and associated penalties; and

## **BARROEROCK CONSTRUCTION LIMITED - IN LIQUIDATION**

- (xxi) Instructing Fletcher Day to assist me in reviewing matters highlighted during the course of my initial investigations under SIP 2 and identifying possible claims against third parties; meeting with the Director and former Director to discuss the same.

2.9 Based on the current position of the case, the current work which remains to be completed is the following:-

- (i) Continuing to liaise with my solicitors regarding the claims against the Company being dealt with by its insurers and other relevant parties as appropriate; and
- (ii) Continuing to liaise with my solicitors regarding the matters identified during the SIP 2 initial investigation and potential rights of action against third parties arising from the same. I would refer creditors to paragraph 2.24 below for further details in this regard.

### **Realisation of Assets**

2.10 It is considered that the work the Liquidator and his 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 3<sup>rd</sup> party security, result in a distribution to the preferential and unsecured creditors of the Company.

### **2.11 Plant & Machinery / Fixtures & Fittings**

- (i) The Director's Statement of Affairs did not anticipate any realisations in respect of either plant and machinery or fixtures and fittings and none have been achieved.

### **2.12 Goodwill**

- (i) The Director's Statement of Affairs indicated that realisations in respect of goodwill were uncertain.
- (ii) No offers have been received to purchase the same. Accordingly, no realisations have been achieved during the period and none are anticipated.

### **2.13 Book Debts/Retentions**

- (i) The Director's Statement of Affairs indicated that book debts/retentions were estimated to realise uncertain.
- (ii) Following my appointment, I instructed Leslie Keats, a firm of quantity surveyors, to assist me in the collection of the book debts/retentions, of which there were three known, as it was understood that the amounts due may be subject to counter-claims that would need to be considered by a party with the relevant knowledge and expertise.
- (iii) Leslie Keats duly reviewed the information and met with the Director and former Director to discuss the position, following which it was indicated that recoveries were unlikely. Accordingly, no realisations have been achieved and none are anticipated.



**BARROEROCK CONSTRUCTION LIMITED - IN LIQUIDATION****2.14 Cash in Hand**

- (i) The Director's Statement of Affairs indicated that cash in hand was estimated to realise a sum of £71,707.17 and £71,107.17 was duly realised.

**2.15 Cash at Bank**

- (i) The Director's Statement of Affairs indicated that cash at bank was estimated to realise a sum of £200.
- (ii) In the event and following reconciliation by the Company's bankers, the sum realised was £182.99.

**Unrealised Assets**

- 2.16 Based on the current position of the case, the remaining unrealised assets include the following:-

- (i) A number of lines of enquiry were identified during the SIP 2 initial investigation which may lead to recoveries for the estate via rights of action against third parties under the auspices of the Insolvency Act 1986 (as amended) and/or other relevant legislation. I would refer creditors to paragraph 2.24 below for further details in this regard.

**Creditors (claims and distributions)**

- 2.17 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. A Liquidator is 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.
- 2.18 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.19 The above work will not necessarily bring any financial benefit to creditors generally, however a Liquidator is 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 Liquidator in dealing with those claims.
- 2.20 I consider the following matters worth noting in my report to creditors at this stage:
- There are no secured or preferential creditors in this case and I am not dealing with the claims of any employees.
  - Per the Director's Statement of Affairs, there were 56 unsecured creditors with claims totalling £320,166.

**BARROEROCK CONSTRUCTION LIMITED - IN LIQUIDATION**

- To date, I have received claims from 39 creditors totalling £1,194,038. This increase from the Statement of Affairs is largely attributable to the submission of a claim by the HM Courts & Tribunals Service following the imposition of fines against the Company in the amount of £750,000.
- During the period, a claim was also received from HM Revenue & Customs ("HMRC") for VAT in the amount of £924,069.08, together with notice of penalties totalling circa £600,000, neither of which were foreshadowed in the Statement of Affairs. Following protracted correspondence with HMRC, it is understood that the relevant assessments and penalties have been withdrawn.
- No claims have been agreed and will only be adjudicated in the event that a dividend becomes payable. Creditors should be aware that the level of unsecured debt may increase further pending the outcome of on-going claims against the Company.

***Investigations***

- 2.21 Some of the work the Liquidator is required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (**CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations. This work may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.
- 2.22 I can confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 2.23 Shortly after appointment, 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. This assessment took into account information provided by creditors either at the s98 meeting or as a response to my request to complete an investigation questionnaire.
- 2.24 As creditors may recall, in the fees information that accompanied my letter of 30 May 2017, it was reported that my initial investigation had identified a potential transaction at undervalue in respect of a disposal of Company assets that took place prior to my appointment. Due to the amount of the potential claim and the dispute raised by the Director, it was not considered beneficial to the estate to pursue any action and accordingly no further action has been or will be taken.
- 2.25 In the fees information, I also advised that I was not yet in possession of the Company's bank statements and was therefore unable to confirm whether any further rights of action were available and/or any substantial further investigation work would be required.
- 2.26 I have since received the bank statements and upon review of the same, I have identified a number of lines of enquiry which, if pursued, may lead to recoveries for the estate via rights of action against third parties.
- 2.27 At this stage, I do not consider it appropriate to comment on these matters in any substantive detail within this report as to do so may jeopardise the potential recoveries for the estate and the general body of creditors as a whole. However,

**BARROEROCK CONSTRUCTION LIMITED - IN LIQUIDATION**

once I am in a position to make such a disclosure, I will advise creditors at the first available opportunity.

**3 Creditors*****Secured Creditors***

- 3.1 The Company did not grant any securities to any party.

***Preferential Creditors***

- 3.2 No claims were anticipated and none have been received.

***Unsecured Creditors***

- 3.3 I have received claims totalling £1,194,038 from 39 creditors. I have yet to receive claims from 25 creditors whose debts are estimated to total £91,814 as per the Director's Statement of Affairs. No claims have been agreed and will only be adjudicated in the event that a dividend becomes payable to the unsecured creditors.
- 3.4 I would confirm that, there are insufficient funds available after defraying the expenses of the liquidation to pay a dividend to unsecured creditors.
- 3.5 However and as set out at paragraph 2.26 above, I am continuing to review a number of lines of enquiry that may lead to rights of action against third parties and therefore further recoveries for the estate. Should sufficient funds become available to make a distribution, notice will be issued of the same.

**4 Liquidator's Remuneration**

- 4.1 Creditors approved that the basis of the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation. My fees estimate was originally provided to creditors with my letter of 30 May 2017 and was based on information available to me at that time.
- 4.2 A copy of that estimate, which covered the period 21 February 2017 to 20 February 2019, is reproduced below:

Category of work	Estimated Number of Hours	Average blended charge out rate £	Estimated cost £
Administration (inc statutory compliance & reporting)	38	247.34	9,398.75
Realisation of assets	26.7	227.96	6,086.50
Creditors (claims & distributions)	81.2	263.27	21,377.25
Investigations	20.2	302.90	6,118.50
Total	166.1	258.77	42,981.00

- 4.3 Attached at Appendix B is a Time Analysis for the period from 21 February 2017 to 20 February 2018. My actual time costs for the year 21 February 2017 to 20

**BARROEROCK CONSTRUCTION LIMITED - IN LIQUIDATION**

February 2018 are £50,435.00. This represents 202.10 hours at an average rate of £249.55 per hour.

4.4 During the period, £42,500 plus VAT was drawn on account of these time costs.

4.5 I now consider that the fee estimate previously provided to 20 February 2019 is insufficient to complete my duties as a result of:

- The Company's affairs requiring more extensive investigation than previously anticipated. As reported above, a number of matters were identified during the course of my initial investigations that I am continuing to review;
- Reviewing case planning and strategy matters as a result of the above;
- Dealing with the claims of the Company's creditors has taken more time than initially anticipated due to the following:
  - i) Receipt of a substantial claim from HMRC in respect of historic VAT that was not foreshadowed in the Statement of Affairs followed by several penalty notices that required me to enter into further correspondence with HMRC.

As a result, my revised fees estimate to 20 February 2019 is set out below and I am seeking approval by correspondence from the creditors to increase this estimate. Further details can be found on the letter which accompanies this report.

**Liquidator's Revised Fee Estimate**

4.6 Further to the information set out in report, I anticipate that in addition to the fee estimate dated 30 May 2017 in the sum of £42,981.00, the following further fees will be incurred to 20 February 2019. Please note that blended hourly rates have been used (as they were for the original estimate) which take account of the various levels of staff that are likely to undertake each area of work these can be seen in the average hourly rate column. Details of the hourly rates that will be charged for each level of staff working on the case form part of the Appendix.

Category of work	Estimated Number of Hours	Average blended charge out rate £	Estimated cost £
Administration (inc statutory compliance & reporting)	25.3	278.01	7,033.75
Realisation of assets	6.0	207.30	1,243.80
Creditors (claims & distributions) *	30.10	239.86	7,219.75
Investigations	87.50	260.84	22,823.70
Total	148.90	257.36	38,321.00

4.7 This increases my estimate for the period 21 February 2017 to 20 February 2019 from £42,981 to £81,302.

## **BARROEROCK CONSTRUCTION LIMITED - IN LIQUIDATION**

- 4.8 The above assumptions are made based on my previous experience in dealing with similar investigation work.
- 4.9 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from [www.aabrs.com/resources/creditors-guides](http://www.aabrs.com/resources/creditors-guides).
- 4.10 Attached as Appendix C is additional information in relation to the Liquidator's fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

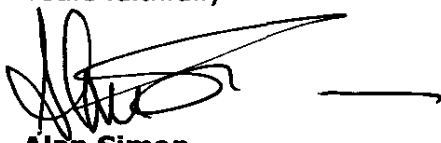
## **5 Creditors' Rights**

- 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 Liquidator provide further information about his 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 Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, 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 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 account.
- 6.2 If you have any queries in relation to the contents of this report, I can be contacted by telephone on 020 8444 2000 or by email at [jal@aabrs.com](mailto:jal@aabrs.com).

Yours faithfully



**Alan Simon**  
**Liquidator**

**Barroerock Construction Limited**  
**(In Liquidation)**  
**Liquidator's Summary of Receipts & Payments**

Statement of Affairs £		From 21/02/2017 To 20/02/2018 £	From 21/02/2017 To 20/02/2018 £
	<b>ASSET REALISATIONS</b>		
NIL	Plant & Machinery	NIL	NIL
NIL	Fixtures & Fittings	NIL	NIL
Uncertain	Goodwill	NIL	NIL
Uncertain	Book Debts/Retentions	NIL	NIL
71,707.17	Cash in Hand	71,707.17	71,707.17
200.00	Cash at Bank	182.99	182.99
	Bank Interest Gross	4.13	4.13
		<u>71,894.29</u>	<u>71,894.29</u>
	<b>COST OF REALISATIONS</b>		
	Specific Bond	250.00	250.00
	R4.62 - Expenses of Creditors Meeting	439.50	439.50
	Statement of Affairs Fee	7,500.00	7,500.00
	Liquidators Fees	42,500.00	42,500.00
	Agents/Valuers Fees	750.00	750.00
	Book Debt Collection Agent fee	1,081.10	1,081.10
	Legal Fees	6,337.50	6,337.50
	Legal Fees - Potential Claims	5,000.00	5,000.00
	Statutory Advertising	375.00	375.00
		<u>(64,233.10)</u>	<u>(64,233.10)</u>
	<b>UNSECURED CREDITORS</b>		
(164,714.89)	Trade & Expense Creditors	NIL	NIL
(153,450.00)	Connected Companies	NIL	NIL
(2,000.00)	HM Revenue & Customs (PAYE)	NIL	NIL
(1.00)	HM Revenue & Customs (Corporation)	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>DISTRIBUTIONS</b>		
(1.00)	Ordinary Shares	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(248,259.72)</u>		<u>7,661.19</u>	<u>7,661.19</u>
	<b>REPRESENTED BY</b>		
	VAT Receivable		691.50
	Bank 1 Deposit		6,969.69
			<u>7,661.19</u>

Alan Simon  
Liquidator

# Time Entry - Detailed SIP9 Time & Cost Summary

B1040 - Barroerock Construction Limited  
 From: 21/02/2017 To: 20/02/2018  
 All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
101 : Case planning/review/strategy and checklists	5.80	10.30	1.70	7.00	24.80	6,713.00	270.69
102 : Set-up Administration/IPS/Initial correspondence	0.00	0.00	0.00	0.10	0.10	15.00	150.00
103 : Cashiering - set-up, maintenance & control of accs	0.00	0.90	1.30	1.60	3.80	676.00	177.89
104 : Post Appointment VAT & CT	1.60	0.00	1.00	0.50	3.10	1,002.50	323.39
105 : Statutory filing with ROC, Court & DTI	0.00	0.00	0.20	0.00	0.20	34.00	170.00
106 : Pensions Admin	0.00	0.00	0.30	0.00	0.30	51.00	170.00
107 : Books & Records administration	0.00	0.00	0.00	3.50	3.50	340.00	97.14
<b>Administration &amp; Planning</b>	<b>7.40</b>	<b>11.20</b>	<b>4.50</b>	<b>12.70</b>	<b>35.80</b>	<b>8,831.50</b>	<b>246.69</b>
500 : Creditors	0.00	0.50	0.00	0.00	0.50	120.00	240.00
501 : Correspondence/Preparation of Reports/Meetings	7.80	30.50	22.90	9.30	70.50	17,561.00	249.09
502 : Claims / Proofs	0.60	0.40	0.80	0.90	2.70	668.00	247.41
<b>Creditors</b>	<b>8.40</b>	<b>31.40</b>	<b>23.70</b>	<b>10.20</b>	<b>73.70</b>	<b>18,349.00</b>	<b>248.97</b>
201 : SIP 2 review & CCDA reporting	1.10	10.70	0.10	7.90	19.80	4,829.50	243.91
202 : Antecedant transactions	8.40	26.30	3.30	10.90	48.90	13,809.50	282.40
<b>Investigations</b>	<b>9.50</b>	<b>37.00</b>	<b>3.40</b>	<b>18.80</b>	<b>68.70</b>	<b>18,639.00</b>	<b>271.31</b>
301 : Ident, securing, insuring & bonding	0.00	0.00	0.00	0.60	0.60	92.00	153.33
302 : Freehold & Leasehold property	0.00	0.00	1.00	0.00	1.00	190.00	190.00
304 : Tangible assets	0.00	0.00	0.00	2.40	2.40	336.00	140.00
305 : Debtors claims	0.70	0.20	4.00	4.80	9.70	1,515.00	156.19
306 : Cash & Bank balances/VA contrbs & reviews/IPO	0.80	0.00	0.00	0.00	0.80	370.00	462.50
309 : Cashiering - banking realisations & payment costs	0.90	1.90	2.70	3.90	9.40	2,112.50	224.73
<b>Realisations of Assets</b>	<b>2.40</b>	<b>2.10</b>	<b>7.70</b>	<b>11.70</b>	<b>23.90</b>	<b>4,615.50</b>	<b>193.12</b>
<b>Total Hours</b>	<b>27.70</b>	<b>81.70</b>	<b>39.30</b>	<b>53.40</b>	<b>202.10</b>	<b>50,435.00</b>	<b>249.55</b>
<b>Total Fees Claimed</b>						<b>42,500.00</b>	

## BARROEROCK CONSTRUCTION LIMITED - IN LIQUIDATION

### Appendix C

#### Additional Information in Relation to the Liquidator's Fees, Expenses & Disbursements

#### 7 Staff Allocation and the Use of Sub-Contractors

- 7.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 7.2 The constitution of the case team will usually consist of a Director, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 7.3 We are not proposing to utilise the services of any sub-contractors in this case.

#### 8 Professional Advisors

- 8.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Fletcher Day (legal advice – potential rights of action)	Time costs up to £5,000 plus VAT and a conditional fee arrangement
Fletcher Day (legal advice – claims)	Time Costs
Robson Kay Associates Ltd (valuation and disposal advice)	Fixed Fee
Leslie Keats (Quantity Surveyor assisting re. book debts)	Time Costs

- 8.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

#### 9 Liquidator's Expenses & Disbursements

- 9.1 The estimate of expenses (including disbursements) was provided to creditors with my letter of 30 May 2017 as part of the request for a decision on the basis of my remuneration. I reproduce it below:

Category 1	Estimated cost £
Specific Penalty Bond	250.00 plus VAT
Expenses of Initial Creditors' Meeting (Advertising)	439.50 plus VAT
Statutory Advertising (Post Appointment)	750.00 plus VAT
Agents' Fees – Robson Kay Associates Ltd	750.00 plus VAT
Agents' Fees – Leslie Keats	CFA
Legal Fees – Fletcher Day	5,000.00 plus VAT



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<b>Category 2</b>	<b>Estimated cost £</b>
Storage Costs (£50 per box; 5 boxes held over 2 years)	250.00 plus VAT
Photocopying (based on 4 creditor communications and a general provision)	150.00 plus VAT
Postage – 1 <sup>st</sup> Class (as above)	250.00 plus VAT
Postage – 2 <sup>nd</sup> Class (as above)	250.00 plus VAT

***Current position of Liquidator's expenses***

- 9.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

<b>Category 1</b>	<b>Paid in the period covered by this report £</b>	<b>Incurred but not paid to date £</b>	<b>Total anticipated cost £</b>
Specific Penalty Bond (1)	250.00 plus VAT	-	250.00 plus VAT
Expenses of Initial Creditors' Meeting (Advertising)	439.50 plus VAT	-	439.50 plus VAT
Agents' Fees – Robson Kay Associates Ltd	750.00 plus VAT	-	750.00 plus VAT
Agents' Fees – Leslie Keats (2)	1,081.10 plus VAT	-	1,081.10 plus VAT
Statutory Advertising	375.00 plus VAT	-	750.00 plus VAT
Legal Fees – Fletcher Day (3)	6,337.50 plus VAT	617.50 plus VAT	7,200.00 plus VAT
Legal Fees – Potential Claims – Fletcher Day (3)	5,000.00 plus VAT	4,217.50 plus VAT	20,000.00-80,000.00 plus VAT, plus CFA uplift

- (1) Subject to increase where realisations into the estate exceed £100,000;
- (2) As Leslie Keats expended a significant amount of time in attempting to recover the Company's book debts, including reviewing the Company's books and records to identify the relevant papers and meeting with the Directors, it was deemed appropriate to discharge the same. No uplift was applied.
- (3) My initial estimate of expenses provided £5,000 plus VAT for the costs of Fletcher Day in assisting me with the various claims against the Company. In the event, costs of £6,955 plus VAT have been incurred to date and the total estimate is revised up to £7,200 plus VAT.

My initial estimate of expenses did not make a provision for legal advice in respect of potential rights of action as it was not known at that stage whether this would be required.

In the event, potential claims against third parties were identified and I instructed Fletcher Day to assist me in this regard. It was agreed that fees would be paid up to a limit of £5,000, after which any work undertaken would be on the basis of a conditional fee arrangement with uplift in the event of success.

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The total estimate of £20,000 plus VAT to £80,000 plus VAT, exclusive of uplift, is dependent on how matters proceed and whether it will be necessary to issue proceedings.

<b>Category 2</b>	<b>Paid in the period covered by this report £</b>	<b>Incurred but not paid to date £</b>	<b>Total anticipated cost £</b>
Storage Costs	-	250.00 plus VAT	500.00 plus VAT
Photocopying (1)	-	67.20 plus VAT	67.20 plus VAT
1 <sup>st</sup> Class Postage (1)	-	78.00 plus VAT	78.00 plus VAT
2 <sup>nd</sup> Class Postage (1)	-	27.20 plus VAT	27.20 plus VAT

(1) It is anticipated that all future correspondence (unless it falls within the categories outlined within the letter to creditors accompanying this report) will be made available for viewing and downloading via the AABRS Limited portal. The estimates for photocopying and postage are therefore revised down accordingly.

- 9.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.
- 9.4 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

**BARROEROCK CONSTRUCTION LIMITED - IN LIQUIDATION****10 Charge-Out Rates**

- 10.1 AABRS Limited's current charge-out rates effective from 1 April 2017 are detailed below. Please note this firm records its time in minimum units of 6 minutes.
- 10.2 There have been no material increases in charge out rates since the commencement of the liquidation.
- 10.3 A schedule of charge out rates as at 1 April 2017 are shown below:-

	(Per hour)
Director	£475.00
Manager	£240.00 - £290.00
Other Senior Professionals	£170.00 - £230.00
Assistants & Support Staff	£60.00 - £160.00