

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

06648867

Name of Company

Culverhay Builders Ltd

Laurence Russell
Mary Street House
Mary Street
Taunton
Somerset
TA1 3NW

the liquidator of the company attach a copy of my Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 18/10/2013 to 17/10/2014

Signed



Date 17 December 2014

Albert Goodman LLP
Mary Street House
Mary Street
Taunton
Somerset
TA1 3NW

Ref 190242/LR/CH/ST

THURSDAY



A22

A3N0V51E

18/12/2014

#345

COMPANIES HOUSE

Email steve.tucker@albertgoodman.co.uk
Our Ref LR/CH/ST/190242/PF7
Your Ref

When telephoning, please call Steve Tucker on 01823 250795

17 December 2014



PRIVATE AND CONFIDENTIAL

ALL MEMBERS AND CREDITORS

Dear Sir/Madam

CULVERHAY BUILDERS LIMITED – IN LIQUIDATION

Company number: 06648867

Previously trading from: Appley Croft Barn, Appley, Stawley, Wellington, Somerset TA21 0HJ

Registered office address: Mary Street House, Mary Street, Taunton, Somerset TA1 3NW

I refer to my appointment as liquidator of the above company on 18 October 2011 and I am pleased to report to creditors on my acts and dealings and the conduct of the winding up to 17 October 2014. This report should be read in conjunction with my two previous reports, as it will only deal in detail with the conduct of the liquidation for the year since the last anniversary date.

I attach my receipts and payments account to 17 October 2014 incorporating an estimated outcome statement and would comment further as follows -

1 Realisation of assets

1.1 Fixtures, fittings and equipment (estimated to realise £nil)

As previously reported, it was not possible to ascertain the location of the company's tools and equipment.

However, an offer of £90 has previously been accepted for the company's computer from the director, Alun Thomas, but this has yet to be received. I have recently traced the director as he had moved, and will continue to pursue him for payment.

1.2 Book debts (estimated to realise £uncertain)

The statement of affairs showed book debts with a book value of £37,168 and an uncertain estimated to realise value. I was not able to obtain a breakdown of the book debts shown on the statement of affairs from the company's records or the director. However, I identified some outstanding invoices from the company's records.

One of these was a book debt of £1,658, and I previously reached a settlement with the customer whereby they agreed to pay £858, the reduction being due to rectification costs incurred. This amount was received during the year.

Additionally, there is a book debt of £9,955 which was already disputed prior to my appointment, and I am continuing to deal with this debt.

There were also some other outstanding invoices identified, but these customers also have contra claims against the company in excess of the amounts due. I am currently in the process of examining the validity of these claims.

For the purposes of this report, future realisations in respect of book debts are shown as uncertain.

Mary Street House
Mary Street, Taunton
Somerset TA1 3NW

T: 01823 286096

F: 01823 337644

E: ag@albertgoodman.co.uk

www.albertgoodman.co.uk

www.albertgoodman.co.uk

Albert Goodman is the trading name of Albert Goodman LLP, a limited liability partnership registered in England No. OC 353677

Registered Office Mary Street House, Mary Street, Taunton, TA1 3NW. A full list of members is available at this address.

Laurence Russell is authorised by the Institute of Chartered Accountants

In England and Wales to act as an Insolvency Practitioner in the UK

Registered to carry on audit work in the UK and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales



1 3 Overdrawn director's loan account (estimated to realise £uncertain)

The statement of affairs showed an overdrawn director's loan account of £121,155 with an uncertain estimated to realise value

The director and his wife had given a personal guarantee to Lloyds Bank Plc in respect of the debt due from the company and the bank had a charge against the director's jointly owned property

Investigations revealed that the actual balance due from the director as at the date of liquidation was £145,774

The director disputed liability and I took some initial advice from my solicitors who advised that the costs of taking further action and attempting to negotiate a settlement may be as much as £2,000. As there were no funds in the case to fund these costs, I approached creditors to see if they would be willing to fund them, but no offers of funding were received

Following the recommendation of one of the creditors, a different firm of solicitors were instructed to pursue the director as they were willing to act on a contingency fee basis

The total amount required to be paid to Lloyds Bank Plc by the director and his wife under their charge was £135,632. Allowing for the director's share of £67,816 to be offset against his loan account left a balance due from the director of £77,958

The director's jointly owned property was subsequently sold and the net sale proceeds were held by his solicitors. The director's wife had a claim against the director in respect of the company's indebtedness to the bank that had been repaid from her share of the equity in the property, which reduced the net sale proceeds due to the director to £51,858. Upon the recommendation of my solicitors, this sum was accepted in full and final settlement of the remaining amount due to the company on the director's loan account, and this amount was subsequently received during the year

1 4 Other receipts

These are self-explanatory, being detailed in my previous reports and/or are shown in the attached receipts and payments account

2 **Payments**

2 1 Legal fees

As mentioned at paragraph 1 3 above, a firm of solicitors were instructed to pursue the overdrawn director's loan account, and their fee for this was £2,502 which was paid during the year

2 2 Other payments

These are self-explanatory, being detailed in my previous reports and/or are shown in the attached receipts and payments account

3. **Professional advisors**

The following professional advisors have been instructed in this case -

<u>Advisor</u>	<u>Nature of work</u>	<u>Fee arrangement</u>
MST Auctioneers Ltd	Collecting and selling at auction the plant, machinery and motor vehicle	Commission of 15% on sales, fixed lotting fees of £2 to £10 per lot and a fixed collection fee of £600, all plus disbursements
Ashfords LLP	Advice on pursuing the overdrawn director's loan account	No fee levied
Stephens Scown LLP	Pursuing and recovering the overdrawn director's loan account	Time costs on a contingency fee basis

Appendix 1

CULVERHAY BUILDERS LIMITED - IN LIQUIDATION

RECEIPTS AND PAYMENTS ACCOUNT INCORPORATING AN ESTIMATED OUTCOME STATEMENT

AS AT 17 OCTOBER 2014

	As per statement of affairs £	As at 17/10/2013 £	In period 18/10/2013 to 17/10/2014 £	Total to 17/10/2014 £	Anticipated £	Total £
Receipts						
Assets specifically pledged						
Mitsubishi motor vehicle	2,500	2,450	-	2,450	-	2,450
Less amount due to finance company	-	(241)	-	(241)	-	(241)
Surplus	2,500	2,209	-	2,209	-	2,209
Uncharged assets						
Plant and machinery	5,000	7,980	-	7,980	-	7,980
Fixtures, fittings and equipment	-	-	-	-	90	90
Book debts	Uncertain	-	858	858	Uncertain	858
Overdrawn director's loan account	Uncertain	-	51,858	51,858	-	51,858
Telephone refund	-	64	-	64	-	64
Bank interest	-	3	49	52	63	115
	7,500	10,256	52,765	63,021	153	63,174
Payments						
Agents' fees	-	(2,335)	-	(2,335)	-	(2,335)
Legal fees	-	-	(2,502)	(2,502)	-	(2,502)
Pre-liquidation costs	-	(4,500)	-	(4,500)	-	(4,500)
Liquidator's fees	-	-	(13,266)	(13,266)	(5,500)	(18,766)
Statutory advertising	-	(50)	(47)	(97)	(77)	(174)
Insolvency bond	-	-	(260)	(260)	(62)	(322)
Company searches	-	-	(7)	(7)	-	(7)
Storage of books and records	-	-	(216)	(216)	-	(216)
Redirection of mail	-	-	(27)	(27)	-	(27)
Land Registry restriction fee	-	-	(50)	(50)	-	(50)
Land Registry search fee	-	-	(4)	(4)	-	(4)
Corporation tax	-	-	(1)	(1)	(23)	(24)
	7,500	3,371	36,385	39,756	(5,509)	34,247
Less preferential creditors	(2,678)	-	-	-	(2,478)	(2,478)
	4,822	3,371	36,385	39,756	(7,987)	31,769
Less unsecured creditors	(292,144)	-	-	-	(31,769)	(31,769)
	(287,322)	3,371	36,385	39,756	(39,756)	-
Estimated dividend re preferential creditors						
		0%	0%	0%	100%	100%
Estimated dividend re unsecured creditors						
		0%	0%	0%	13%	13%
Represented by						
Local interest bearing deposit account (L Russell re Culverhay Builders Ltd)				30,000		
Local current account (L Russell re Culverhay Builders Ltd)				9,756		
				<u>39,756</u>		

Note 1

The figures on the receipts and payments account incorporating an estimated outcome statement are net of VAT

I shall report again following the next anniversary of my appointment or as soon as I am in a position to conclude this case. Should you have any queries regarding this report, please do not hesitate to contact this office.

Yours faithfully
For and on behalf of
Culverhay Builders Ltd

A handwritten signature in black ink, appearing to read 'Laurence Russell', with a stylized flourish at the end.

LAURENCE RUSSELL
Liquidator

Enc

Appendix 1

CULVERHAY BUILDERS LIMITED - IN LIQUIDATION

RECEIPTS AND PAYMENTS ACCOUNT INCORPORATING AN ESTIMATED OUTCOME STATEMENT

AS AT 17 OCTOBER 2014

	As per statement of affairs £	As at 17/10/2013 £	In period 18/10/2013 to 17/10/2014 £	Total to 17/10/2014 £	Anticipated £	Total £
Receipts						
Assets specifically pledged						
Mitsubishi motor vehicle	2 500	2,450	-	2,450	-	2 450
Less amount due to finance company	-	(241)	-	(241)	-	(241)
Surplus	2 500	2,209	-	2 209	-	2 209
Uncharged assets						
Plant and machinery	5,000	7,980	-	7 980	-	7 980
Fixtures, fittings and equipment	-	-	-	-	90	90
Book debts	Uncertain	-	858	858	Uncertain	858
Overdrawn director's loan account	Uncertain	-	51 858	51 858	-	51 858
Telephone refund	-	64	-	64	-	64
Bank interest	-	3	49	52	63	115
	7,500	10 256	52 765	63 021	153	63,174
Payments						
Agents' fees	-	(2 335)	-	(2 335)	-	(2,335)
Legal fees	-	-	(2 502)	(2,502)	-	(2 502)
Pre-liquidation costs	-	(4,500)	-	(4 500)	-	(4 500)
Liquidator's fees	-	-	(13 266)	(13 266)	(5 500)	(18 766)
Statutory advertising	-	(50)	(47)	(97)	(77)	(174)
Insolvency bond	-	-	(260)	(260)	(62)	(322)
Company searches	-	-	(7)	(7)	-	(7)
Storage of books and records	-	-	(216)	(216)	-	(216)
Redirection of mail	-	-	(27)	(27)	-	(27)
Land Registry restriction fee	-	-	(50)	(50)	-	(50)
Land Registry search fee	-	-	(4)	(4)	-	(4)
Corporation tax	-	-	(1)	(1)	(23)	(24)
	7,500	3,371	36,385	39,756	(5,509)	34,247
Less preferential creditors	(2,678)	-	-	-	(2 478)	(2 478)
	4 822	3 371	36 385	39 756	(7 987)	31 769
Less unsecured creditors	(292 144)	-	-	-	(31,769)	(31,769)
	(287 322)	3 371	36,385	39 756	(39,756)	-
Estimated dividend re preferential creditors						
		0%	0%	0%	100%	100%
Estimated dividend re unsecured creditors						
		0%	0%	0%	13%	13%
Represented by						
Local interest bearing deposit account (L Russell re Culverhay Builders Ltd)				30,000		
Local current account (L Russell re Culverhay Builders Ltd)				9 756		
				<u>39 756</u>		

Note 1

The figures on the receipts and payments account incorporating an estimated outcome statement are net of VAT

Appendix 2 (i)

APPENDIX REGARDING INSOLVENCY PRACTITIONER'S REMUNERATION

Case name	Culverhay Builders Limited
Court and number	N/A
Office holder	Laurence Russell
Firm	Albert Goodman LLP
Address	Mary Street House Mary Street Taunton Somerset TA1 3NW
Telephone	01823 286096
Reference	LR/190242
Type of appointment	Liquidator
Date of appointment	18 October 2011

1 OVERVIEW OF THE CASE

This has been provided in the body of the report to which this appendix has been attached

I can advise that my fees were set on a time cost basis at the creditors' meeting held on 18 October 2011

2 EXPLANATION OF INSOLVENCY PRACTITIONER'S CHARGING AND DISBURSEMENT RECOVERY POLICIES

All staff who worked specifically on this assignment had their time costed and charged to it, including secretaries and cashing time

CHARGEOUT RATES

The current charge out rates of the grades of staff likely to work on this assignment are as follows -

Insolvency Practitioner	£180 per hour
Manager	£109 per hour
Administrators	£62 to £84 per hour
Support Staff	£40 per hour

DISBURSEMENTS POLICY

Disbursements are split into two categories as follows

Category 1 These are specific costs met by this firm which relate to a particular insolvency case. Such items of expenditure include advertising, Companies House and Land Registry searches, external printing costs, external storage and fees for swearing legal documents. Approval is not required for category 1 disbursements.

Category 2: These are expenses which are paid or are payable to my firm or to any other party in which my firm or I have an interest, and primarily relate to the non-case specific recovery of overhead costs. Creditors' approval is required before a category 2 disbursement can be drawn by an Insolvency Practitioner. It is this firm's policy that the only disbursements

Appendix 2 (i)

recharged to an assignment relate to the simple reimbursement of actual payments made to third parties relating to a particular case, which are category 1, except for mileage. Mileage is charged at standard rates which comply with H M Revenue and Customs limits. There are no disbursements levied in respect of the recovery of overhead costs.

3 NARRATIVE DESCRIPTION OF WORK CARRIED OUT

Appendix 2(ii) outlines the time costs incurred in relation to activities undertaken during the year, which can be summarised as follows. Staff of different levels were involved in the activities shown depending upon the experience required and, where significant, further information is provided in this respect.

Administration and planning

The following activities have been undertaken -

- Maintenance of bank accounts
- Cashiering
- VAT and corporation tax administration
- Progress reviews of case
- Production of the annual report to members and creditors

Realisation of assets

Please refer to the main body of the report, but in summary the following activities have been undertaken -

- Book debt collection
- Examining the possibility of a VAT bad debt relief claim
- Making a recovery in respect of the director's overdrawn loan account including liaising with solicitors

Creditors

The following activities have been undertaken -

- Communication with creditors
- Recording and maintaining list of creditors' claims
- Reviewing and evaluating preferential and unsecured creditor claims

4 TIME AND CHARGE OUT SUMMARY

A summary of the time spent on this assignment and the costs charged to it as a result is provided at appendix 2 (ii).

I can advise that I have drawn remuneration of £13,265.90 during the year in respect of the above time costs and in accordance with the approved basis of my remuneration detailed at 1 above. I had unbilled time costs of £1,324.15 at 17 October 2014.

5 CATEGORY 2 DISBURSEMENTS

In accordance with the disbursements policy shown at 2 above, no category 2 disbursements have been charged to this assignment in respect of general overheads.

6 SUPPORTING DOCUMENTS

A receipts and payments account for this assignment is provided as part of the report to which this appendix is attached.

I also enclose a copy of the resolution passed dealing with the approval of my remuneration.

Appendix 2 (1)

7 INCREASES IN CHARGE OUT RATES

It is the policy of this firm to review staff charging rates periodically and increases have been implemented during the period of administration of this case as follows -

Insolvency Practitioner	9%
Manager	7%
Other Senior Professionals	4 - 24%
Support Staff	8%

Resolutions

The meeting passed the following resolutions -

1. That Frost Group Ltd should be remunerated in the sum of £4,500 plus VAT in settlement of their fees and disbursements for services rendered to the director in relation to the preparation of the statement of affairs and associated documentation and for convening the meetings of members and creditors, pursuant to rules 4 38 and 4 62 of the Insolvency Rules 1986 The payment of these fees is to be made from the realisation of the company's assets and is to be paid in due course
- 2 That liquidator's remuneration for dealing with matters arising in the liquidation should be calculated by reference to the time costs properly incurred by the liquidator and his staff, and authority is hereby given for the liquidator to draw his remuneration on this basis and to take his fees on account
- 3 The liquidator be authorised to draw any disbursements as required for the case in accordance with the liquidator's disbursement policy.

There being no further business, the meeting then terminated


Signed Alun Stephen Thomas
Chairman