

LIQ03

Notice of progress report in voluntary winding up



Companies House

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at
eshouse

1 Company details

Company number 1 0 8 3 1 2 6 7

Company name in full Keynsham Masonry Limited

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

2 Liquidator's name

Full forename(s) Stephen James

Surname Hobson

3 Liquidator's address

Building name/number Centenary House

Street Peninsula Park

Post town Rydon Lane

County/Region Exeter

Postcode E X 2 7 X E

Country

4 Liquidator's name ①

Full forename(s) Lucinda Clare

Surname Coleman

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

5 Liquidator's address ②

Building name/number Centenary House

Street Peninsula Park

Post town Rydon Lane

County/Region Exeter


Postcode E X 2 7 X E

Country

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

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6	Period of progress report																
From date	^d	2	^d	2	^m	0	^m	3	^y	2	^y	0	^y	1	^y	8	
To date	^d	2	^d	1	^m	0	^m	3	^y	2	^y	0	^y	1	^y	9	
7	Progress report																
<input type="checkbox"/> The progress report is attached																	
8	Sign and date																
Liquidator's signature	<div style="display: flex; justify-content: space-between;"> <div> Signature X  </div> <div>X</div> </div>																
Signature date	^d	1	^d	3	^m	0	^m	5	^y	2	^y	0	^y	1	^y	9	

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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 **Scott Bebbington**

Company name **Francis Clark LLP**

Address **Centenary House**
Peninsula Park

Post town **Rydon Lane**

County/Region **Exeter**

Postcode **E X 2 7 X E**

Country

DX

Telephone **01392 667000**

**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

Joint Liquidators' Annual Progress Report to Creditors & Members

**Keynsham Masonry Limited
- In Liquidation**

For the year ended 21 March 2019

10 May 2019

PKF FRANCISCLARK

Chartered accountants & business advisers



KEYNSHAM MASONRY LIMITED - IN LIQUIDATION

CONTENTS

- 1** Introduction and Statutory Information
- 2** Progress of the Liquidation
- 3** Creditors
- 4** Joint Liquidators' Remuneration
- 5** Creditors' Rights
- 6** Next Report

APPENDICES

- A** Receipts and Payments Account for the Period from 22 March 2018 to 21 March 2019 including a cumulative Receipts and Payments Account for the Period since the Joint Liquidators' Appointment
- B** Time Analysis for the Period from the 22 March 2018 to 21 March 2019
- C** Additional information in relation to Joint Liquidators' Fees, Expenses & Disbursements

KEYNSHAM MASONRY LIMITED - IN LIQUIDATION

1 Introduction and Statutory Information

- 1.1 I, Stephen James Hobson, together with my colleague Lucinda Clare Coleman, of Francis Clark LLP, Centenary House, Peninsula Park, Rydon Lane, Exeter, EX2 7XE, were appointed Joint Liquidators of Keynsham Masonry Limited ("the Company") ("KML") on 22 March 2018. This progress report covers the period from 22 March 2018 to 21 March 2019 ("the Period") and should be read in conjunction with any previous progress reports which have been issued.
- 1.2 Information about the way that we will use, and store personal data on insolvency appointments can be found at <http://francisclarkinsolvency.co.uk/creditor-login/>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.3 The principal trading address of the Company was Avon Mill Lane, Keynsham, Bristol, BS31 2UG.
- 1.4 The registered office of the Company has been changed to Centenary House, Peninsula Park, Rydon Lane, Exeter, EX2 7XE and its registered number is 10831267.

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.

Administration (including statutory compliance & reporting)

- 2.3 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.
- 2.4 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidators.
- 2.5 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

- 2.6 The assets listed on the director's statement of affairs have been dealt with as follows:

Leasehold Property

- 2.7 The company was party to various sub leases at the former trading premises. I instructed agents Lambert Smith Hampton (LSH) to review the leases and provide advice on whether there was any value in the leases for the Liquidation.
- 2.8 Advice from LSH was that the leases were of no value and consequently they were disclaimed by the Liquidators. There will be no realisations for the benefit of creditors.

Plant & Machinery; Office Equipment and Fixtures and fittings

- 2.9 The value of the plant & machinery, office equipment and fixtures & fittings was estimated to be nil. Agents LSH were instructed to advise on the value of these items and whether it would be cost effective to uplift them and sell at auction.

KEYNSHAM MASONRY LIMITED - IN LIQUIDATION

- 2.10 The advice received was that it would not be cost effective to collect and sell these items and consequently there have no realisations for the benefit of creditors.

Stock

- 2.11 Agents LSH were also instructed to deal with the sale of the remaining stock held at the Company premises, which was estimated to be worth £30,000. The stock sold for a total of £36,442.30 which has now been remitted to the liquidation bank account. There will be no further realisations.

Book debts

- 2.12 The Company had book debts totalling £199,134.75 and the estimated to realise value was £154,678.00. The Liquidators wrote to all outstanding debtors requesting payment of the balances due.
- 2.13 To date we have received £29,859.82 in respect of the debtors, which includes £15,218.83 of debtors paid to LSH prior to the liquidation of the Company. A total of £180,923.26 remains outstanding and these balances have been passed to solicitors Clarke Willmott to deal with the debt collection.
- 2.14 Future realisations are uncertain at this stage. Of the £180,923.26 that Clarke Willmott have been instructed to collect, £119,439.34 is in respect of one customer who has submitted a substantial counter claim for costs incurred as a result of the liquidation and advice received suggests the prospect of recovering the full debt to be unlikely. This matter is ongoing.

Cash at bank

- 2.15 The statement of affairs listed cash at bank of £5,002.00. I wrote to the bank requesting closure of bank account and transfer of the funds to the liquidation bank account. A closing balance of £4,327.30 was received. There will be no further realisations.

Cash held on client account

- 2.16 The statement of affairs listed a balance of £33,414.97 being held in a client account with Thomas Westcott Business Recovery LLP. The final balance of £31,221.19 following payment of professional fees incurred in the pre liquidation period as approved by the director was transferred to the Liquidation bank account and there will be no further realisations.

Other assets

- 2.17 I have received gross bank interest of £321.64 and refund of £39.71.
- 2.18 It is considered that the work the Liquidator and staff have undertaken to date will bring a financial benefit to creditors.

Creditors (claims and distributions)

- 2.19 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. The Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company.
- 2.20 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.21 The above work will not necessarily bring any financial benefit to creditors generally but the Liquidators are required by statute to undertake it. Similarly, if a distribution is to be paid to any

KEYNSHAM MASONRY LIMITED - IN LIQUIDATION

class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor.

Investigations

- 2.22 Some of the work the Liquidators are 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 and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidators can pursue for the benefit of creditors.
- 2.23 I have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 2.24 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 any information provided by creditors.
- 2.25 My investigations revealed some potentially challengeable transactions which I am taking further legal advice on. Further details will be provided to creditors in my future reports.

Connected Party Transactions

- 2.26 In accordance with Statement of Insolvency Practice 13, I would advise that no assets were sold by the liquidators to a director or associate of the Company.

3 Creditors

Secured Creditors

- 3.1 Lloyds Bank plc holds a fixed and floating charge over the Company's assets. However, the bank loan was to the Johnston Quarry Group of which KML was part, and not direct to KML. The bank confirmed that it would not be looking to call against their security in KML as the wider group is not in default. No amounts have been paid to the secured creditor.

Preferential Creditors

- 3.2 Preferential creditors consist of employees arrears of wages up to £800, all outstanding holiday pay and outstanding pension contributions for the four months prior to the liquidation. The statement of affairs estimated that preferential creditors were £33,018.69.
- 3.3 I have received a claim from the Redundancy Payments Office for £22,232.54. I have not yet gone through the process of agreeing any excess preferential creditor claims or dealing with an unpaid pension contributions.
- 3.4 I will shortly be paying preferential creditors in full and give notice of my intention to pay a dividend to preferential creditors at section 4 below.

Unsecured Creditors

- 3.5 I have received claims totalling £580,232.81 from 25 creditors. I have yet to receive claims from 25 creditors whose debts total £68,673.46 as per the Company's statement of affairs.
- 3.6 The Company granted a floating charge to Lloyds Bank plc on 18 October 2017. Accordingly, I am required to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**). However, for the reason given in 3.1 above there is

KEYNSHAM MASONRY LIMITED - IN LIQUIDATION

in this case no requirement to create a fund out of the Company's net floating charge property for unsecured creditors.

- 3.7 In my fee estimate to creditors I anticipated paying a dividend to unsecured creditors in the region of 2p in the £. However this is dependent on any future realisations of book debts and potentially challengeable transactions identified above.

4 Notice of Intended Dividend

- 4.1 At present, I have funds of approximately £70,808.42 in hand. It is my intention to pay a dividend to preferential creditors within the next two months and I enclose for your attention a Notice of Intended Preferential Dividend and a Statement of Claim form for those who have still to register their claim.
- 4.2 If you are a preferential creditor and have not already submitted a claim in the liquidation can you please complete and return the enclosed Statement of Claim form and return it to me before 14 June 2019, otherwise you will be excluded from any dividend payable after that date.
- 4.3 Alternatively, I should be obliged if you would inform me if you have no claim in the liquidation.

5 Joint Liquidators' Remuneration

- 5.1 Creditors approved that the basis of the Liquidators' remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation. My fees estimate/information was originally provided to creditors when the basis of my remuneration was approved and was based on information available to me at that time.
- 5.2 My time costs for the Period are £25,917.86. This represents 135.20 hours at an average rate of £191.70 per hour. Attached as Appendix B1 is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent by me in managing the liquidation. To date, £24,090.36 plus disbursements of £542.50 has been drawn on account.
- 5.3 At the date of this report, I would confirm that my fees estimate for the liquidation remains unchanged.
- 5.4 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <http://francisclarkinsolvency.co.uk/creditor-login>.
- 5.5 Attached as Appendix C is additional information in relation to the Liquidators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

6 Creditors' Rights

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

KEYNSHAM MASONRY LIMITED - IN LIQUIDATION

7 Next Report

- 7.1 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.



.....
S J Hobson
Joint Liquidator

10 May 2019

.....
Date

KEYNSHAM MASONRY LIMITED - IN LIQUIDATION

Appendix A

Receipts and Payments Account from 22 March 2018 to 21 March 2019

S of A £		£	£
	ASSET REALISATIONS		
Uncertain	Leasehold	NIL	
Uncertain	Plant & Machinery	NIL	
Uncertain	Office Equipment, Fix & Fittings	NIL	
30,000.00	Stock	36,442.30	
154,678.00	Book Debts	29,859.82	
5,002.00	Cash at Bank	4,327.30	
33,414.97	Cash held on client a/c	31,221.19	
	Bank Interest Gross	321.64	
	Other Assets	39.71	
			102,211.96
	COST OF REALISATIONS		
	Specific Bond	210.00	
	Office Holders Fees	24,167.96	
	Land Registry	21.00	
	Debt Collection Expenses	100.00	
	Agents/Valuers Fees (1)	4,243.88	
	Legal Fees (1)	1,500.00	
	IT Server Costs	337.50	
	Collection of Books and Records	167.70	
	Storage Costs	34.10	
	Re-Direction of Mail	204.00	
	Statutory Advertising	137.40	
	Insurance of Assets	280.00	
			(31,403.54)
	PREFERENTIAL CREDITORS		
(29,531.71)	Employee Arrears/Hol Pay	NIL	
(3,486.98)	Pension Schemes	NIL	
			NIL
	UNSECURED CREDITORS		
(108,839.03)	Trade & Expense Creditors	NIL	
(355,762.25)	Employees	NIL	
(25,000.00)	Landlord	NIL	
(150,414.86)	Inter Company Loan	NIL	
(118.99)	Banks/Institutions	NIL	
(23,098.24)	HMRC - PAYE	NIL	
(46,190.50)	HMRC - VAT	NIL	
			NIL
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	
			NIL
(519,348.59)			70,808.42
	REPRESENTED BY		
	Vat Receivable		5,563.13
	Bank 1 Current		65,164.60
	Vat Payable		80.69
			70,808.42

KEYNSHAM MASONRY LIMITED - IN LIQUIDATION

Appendix B

Time Analysis from 22 March 2018 to 21 March 2019

Hours							
Work type	Partner	Director	Manager	Administrator & Support Staff	Total Hours	Time Cost £	Average hourly rate £
Administration	7.16		33.51	8.30	48.97	8,866.68	181.06
Realisations of Assets	10.26	0.20	31.30		41.76	8,612.91	206.25
Creditors	0.15	0.10	9.96	1.20	11.41	1,851.78	162.29
Investigations	7.41	0.20	23.95	1.50	33.06	6,586.49	199.23
Total hours	24.98	0.50	98.72	11.00	135.20	25,917.86	191.70

Total Time Costs

25,917.86

Less: Fee taken

(24,090.36)

Outstanding Time Costs

1,827.50

Charge out rates per hour for grade				
Current Range £	350	265	215	155-75
07/2018 to 03/2019 range £	290	235	195-170	95-75
01/2018 to 06/2018 range £	290-243	222-180	185-135	90-75
07/2017 to 12/2017 range £	285-243	222-180	162-160	76-73
01/2017 to 06/2017 range £	285-243	217-180	158	150-71
07/2016 to 12/2016 range £	285-243	217-180	158	145-71
01/2016 to 06/2016 range £	280-232	212-174	154	140-69
Standard Activity				
Administration and planning				

Examples of work

Case planning

Administrative set up

Appointment notification

Maintenance of records

Statutory reporting

Realisation of assets

Identifying, securing, insuring assets

Retention of title

Debt collection

Property, business and asset sales

Creditors

Communications with creditors

Creditors' claims (including employees and other preferential creditors)

Investigations

SIP 2 review

CDDA reports

Investigating antecedent transactions

KEYNSHAM MASONRY LIMITED - IN LIQUIDATION

Appendix C

Additional Information in Relation to the Joint Liquidators' Fees, Expenses & Disbursements

1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, 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.
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case.

2 Professional Advisors

- 2.1 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
Thrings LLP (legal advice)	Hourly rate and disbursements
Willis Towers Watson (insurance)	Risk based premium
Lambert Smith Hampton (valuation and disposal advice)	Hourly rate and disbursements
Clarke Willmott LLP (debt collection)	Fixed fee and disbursements

- 2.2 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.

3 Joint Liquidators' Expenses & Disbursements

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the liquidation was provided to creditors when the basis of my fees were approved, a copy of which is set out below together with an analysis of the expenses paid to the date of this report and those incurred but not paid at the date of this report:

	Estimated cost £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Agents' costs re sale of chattel assets	3,243.88	3,243.88	NIL	3,243.88
Agents' costs for review of leases	1,000.00	1,000.00	NIL	1,000.00
Solicitors' costs	1,500.00	1,500.00	NIL	4,500.00
Debt collection costs	5,000.00	100.00	NIL	5,000.00
Statutory advertising	208.55	137.40	NIL	208.55
Specific penalty bond	210.00	210.00	NIL	210.00
External storage of books & records	1,260.00	201.80	NIL	1,260.00
Insurance	140.00	280.00	NIL	280.00
Re-direction of the Company's mail	175.00	204.00	NIL	204.00
Land Registry searches	21.00	21.00	NIL	21.00
IT server recovery cost	337.50	337.50	NIL	337.50

KEYNSHAM MASONRY LIMITED - IN LIQUIDATION

- 3.2 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.
- 3.3 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 Liquidators' fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

4 Charge-Out Rates

- 4.1 Francis Clark LLP's current charge-out rates effective from 1 April 2019 are detailed below. Please note this firm records its time in minimum units of 36 seconds.

Charge out Rates

Partner	£350
Director	£265
Manager	£215
Administrator	£155
Support	£75