

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

08683575

Name of Company

M Wood Building Services Limited

I / We

Martin Richard Buttriss, Alma Park, Woodway Lane, Claybrooke Parva, Lutterworth, Leicestershire, LE17 5FB

Richard Frank Simms, Alma Park, Woodway Lane, Claybrooke Parva, Lutterworth, Leicestershire, LE17 5FB

the liquidator(s) of the company attach a copy of my/our Progress Report under section 192 of the Insolvency Act 1986.

The Progress Report covers the period from 24/03/2016 to 23/03/2017

Signed

Date

10/04/2017

F A Simms & Partners Limited
Alma Park, Woodway Lane
Claybrooke Parva
Lutterworth
Leicestershire
LE17 5FB

Ref: 9579/MRB/RFS/JT/AM/II

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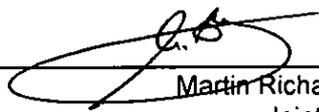
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COMPANIES HOUSE

M Wood Building Services Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs	From 24/03/2016 To 23/03/2017
	SECURED ASSETS
5,250.00	Goodwill
	6,750.00
	6,750.00
	ASSET REALISATIONS
1,500.00	Plant & Machinery
41,433.90	Book Debts
1.33	Cash at Bank
	Bank Interest Gross
	NIL
	2,358.00
	NIL
	0.10
	2,358.10
	COST OF REALISATIONS
	Petitioners Costs
	Preparation of S. of A.
	Office Holders Fees
	Agents/Valuers Fees (1)
	IT Charges
	Bank Charges
	697.85
	3,500.00
	1,700.00
	1,825.00
	25.00
	15.00
	(7,762.85)
	UNSECURED CREDITORS
(88,992.27)	Trade & Expense Creditors
(14,079.75)	H M Revenue & Customs (VAT)
(13,951.00)	H M Revenue & Customs (CT)
	NIL
	NIL
	DISTRIBUTIONS
(100.00)	Ordinary Shareholders
	NIL
	NIL
(68,937.79)	1,345.25
	1,345.25
	REPRESENTED BY
	Interest Bearing Current A/C
	Vat Control Account
	640.25
	705.00
	1,345.25
	1,345.25



 Martin Richard Buttriss
 Joint Liquidator

**M Wood Building Services Limited – In Creditors' Voluntary Liquidation
Formerly**

LIQUIDATORS' PROGRESS REPORT TO CREDITORS AND MEMBERS

FOR THE PERIOD 24 MARCH 2016 TO 23 MARCH 2017

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APPENDICES

1. Receipts and payments account – Please note all Receipts and Payments are shown net of VAT
2. Analysis of time costs
3. A description of the routine work undertaken since my appointment

M Wood Building Services Limited – In Creditors' Voluntary Liquidation

LIQUIDATORS' PROGRESS REPORT TO CREDITORS AND MEMBERS

FOR THE PERIOD 24 MARCH 2016 TO 23 MARCH 2017

EXECUTIVE SUMMARY

The purposes of this report is to detail our acts in dealing as Joint Liquidators and should be read in conjunction with our previous correspondence to Members and Creditors.

My duties and functions as Liquidator are the realisation of Company assets, agreement of claims of Creditors, investigations into the conduct of the Directors, the general affairs of the Company and the eventual distribution of the Liquidation funds between creditors in accordance with their legal entitlement.

STATUTORY INFORMATION

Company name: M Wood Building Services Limited

Registered office: C/o F A Simms & Partners Limited
Alma Park
Woodway Lane
Claybrooke Parva
Leicestershire
LE17 5FB

Former registered office: 5 Shelford Close
Mickleover
Derby
DE3 0QR

Registered number: 08683575

Joint Liquidators' names: Martin Richard Buttriss and Richard Frank Simms

Joint Liquidators' address: Alma Park, Woodway Lane
Claybrooke Parva
Lutterworth
Leicestershire
LE17 5FB

Joint Liquidators' date of appointment: 24 March 2016

LIQUIDATORS' ACTIONS SINCE APPOINTMENT

Richard Frank Simms and I were appointed as Joint Liquidators of M Wood Building Services Limited on 24 March 2016.

Upon appointment the Liquidators instructed agents, Eddisons Commercial Limited, to conduct a sale of the Company's assets, consisting of Plant & Machinery and Goodwill. The assets were purchased by a connected party, MJW Facilities Limited, an associated Company and details of this sale are provided below.

The Liquidators were also able to identify an outstanding debtors' ledger and have attempted to collect the outstanding book debts during the course of the Liquidation to date. However, the outstanding debtors have disputed the amounts outstanding and have advised that the work carried out was of an unsatisfactory level.

The Liquidators can also confirm that since their appointment they have been dealing with Creditors correspondence and have reviewed all claims received to date. If a creditor has not yet submitted their claim please arrange for this to be submitted as soon as possible.

As part of their statutory duties, the Joint Liquidators have carried out their investigations into the Directors' Conduct and the affairs of the Company and can confirm that all relevant reports have been submitted where necessary.

There is certain work that we are required by the Insolvency legislation to undertake in connection with the Liquidation that provides no financial benefit to the Creditors. A description of the routine work undertaken since our appointment as Joint Liquidators is enclosed at Appendix 3.

RECEIPTS AND PAYMENTS

My Receipts & Payments Account for the period 24 March 2016 to 23 March 2017 is attached at Appendix 1. Please note all Receipts and Payments are shown net of VAT.

The balance of funds are held in an interest bearing current account.

ASSETS

Goodwill and Plant & Machinery

Prior to my appointment as Liquidators of the Company a valuation of assets of the Company was prepared by Malcolm Good of Eddisons Commercial Limited who is registered with the National Association of Valuers and Auctioneers, an independent firm of valuers who have confirmed that they hold Professional Indemnity Insurance.

A sale in the sum of £6,750.00 was subsequently agreed on the day of my appointment, to a connected party, MJW Facilities Limited, an associated Company. An initial deposit of £3,000.00 was received on 24 March 2016 with the balance split between two instalments of £1,850.00 and £1,900.00 which we received on 22 July 2016 and 18 October 2016 respectively.

An outline of the different types of asset sold and the amount for which they were sold, together with a comparison against the valuation realised can be found below;

Asset category	Valuation basis & amount (£)		Sale Consideration £
	Market Value (In Situ) £	Market Value (Ex Situ) £	
<u>Uncharged Assets</u>			
Goodwill	5,250.00	Nil	5,250.00
Plant and Machinery	1,500.00	580.00	1,500.00
Total	6,750.00	580.00	6,750.00

The agents have provided two valuations, Market Value (In Situ) and Market Value (Ex Situ), and these valuation types are detailed below. For the purposes of the Statement of Affairs the Market Value (In Situ) was used for the Book Value and the Market Value (Ex Situ) has been used for the Estimated to Realise Value.

Mark Value (In Situ)

Represents the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. This is with added assumption that the plant and machinery has been valued as a whole in its working place.

Mark Value (Ex Situ)

Represents the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arms'-length transaction after proper marketing wherein the parties has each acted knowledgeably, prudently and without compulsion. This is with the added assumption that the plant and machinery is valued for removal from the premises at the expense of the purchaser.

As required by SIP 13, please find below details of the sale of assets to the connected party, MJW Facilities Limited;

- The sale commenced on the 24 March 2016 and was completed on 18 October 2016.
- The assets involved was the Goodwill including trading style, 110v recovery unit, 240v milwakee pistol drill, 110v vacuum pump, 240v vacuum pump, 110v core drill, fluke mega tester, transformer, 110v rip saw, 110v milwakee grinder, various hand tools, set of weighting scales and a set of gauges.
- The consideration for the sale was £6,750.00.
- The purchaser was MJW Facilities Limited
- The purchaser has a common director and shareholder, being Matthew Wood.
- We are not aware whether the purchaser was independently advised, however the sale was conducted by independent agents Eddisons Commercial Limited.

Decision to make the sale to a connected party

The decision to make a sale to a connected party was in order to realise the best value for the assets for the benefit of the Company's creditors. The connected party was able to pay the highest in-situ value as given by the independent agents which enabled the maximum amount to be realised for the sale of the assets. The costs involved with a sale to a connected party were therefore kept to a minimum as no costs for removal had to be incurred. For these reasons, a sale to a connected party was the most beneficial to the Company's creditors.

Other alternatives considered:

Selling the assets via Auction

This was an alternative method of sale considered whereby the independent valuation agent would remove the assets and place the items into an online public auction. The assets would therefore sell to the highest bidder. Whilst this option would be an alternative method of sale, there would be considerable extra costs involved with removing the assets from site, insuring the assets, cataloguing the items and listing them for sale. These extra costs would have reduced the amount realised into the Liquidation estate for the benefit of the Company's creditors.

Selling to a third party

This was another alternative method of sale considered whereby the assets of the Company could be sold to a third party. This method of sale would only be available should a third party express interest in purchasing these assets and in this matter, no third party expressed such interest. In order to sell assets to third party, marketing of the business/assets would have to be conducted in order to raise awareness of the items for sale thereby meaning the sale would have taken longer to conclude. There would also be the additional costs of marketing the assets. There would also be no guarantee that a third party would have resulted in a higher value of the assets being achieved as the connected party was willing to pay the highest in-situ value as given by the independent agents.

Book Debts

The Directors' Statement of Affairs indicated that the Company had an outstanding debtors' ledger with a book value of £55,245.20 to which a bad debt contingency of 25% was applied leaving an estimated realisable value of £41,433.90.

To date the sum of £13,865.00 has been written off in full, which relates to 3 debtors, one of which in the sum of £12,084.00 was written off due to the debtor being placed into Liquidation. The second debtor in the sum of £1,601.00 was written off as the funds were received into the Company account prior to our appointment, with the remaining £180.00 being written off as the costs of realisations exceeded the probable realisable value.

During the period 24 March 2016 to 23 March 2017 the Joint Liquidators have realised a total of £2,358.00.

The remaining sum of £39,022.20 remains outstanding from one debtor. This debtor has disputed the amount, claimed and alleges that the work was completed to an unsatisfactory standard and works that had not yet been carried out by the Company. Further information in this regard has been requested by the Joint Liquidators; however, to date no response has been received and the matter therefore remains ongoing.

Cash at Bank

The Directors' Statement of Affairs also indicated that the sum of £1.33 was held in the Company's bank account at the date of Liquidation. The Joint Liquidators received confirmation from Barclays Bank plc that the account was in fact overdrawn by £26.24 at the date of Liquidation and therefore no realisations were made in this matter.

Bank Interest

Since the appointment of the Joint Liquidators all funds have been held in an interest bearing current account and interest totalling £0.10 has been received in the period 24 March 2016 to 23 March 2017.

LIABILITIES

Crown Creditors

The statement of affairs included £28,030.75 owed to HM Revenue & Customs in respect of unpaid VAT and Corporation Tax. HM Revenue & Customs final claim was received on 31 May 2016 in the sum of £37,547.27.

The difference in these amounts relates to an increase in HM Revenue & Customs claim for VAT of £9,516.52.

Non-preferential Unsecured Creditors

The statement of affairs included 18 non-preferential unsecured creditors with an estimated total liability of £117,023.02. I have received claims from 11 creditors at a total of £123,388.05. I have not received claims from 7 creditors with original estimated claims in the statement of affairs of £19,261.30.

DIVIDEND PROSPECTS

Secured Creditors

The Company had no Secured Creditors at the date of Liquidation.

Preferential Creditors

The Company had no Preferential Creditors at the date of Liquidation.

Floating Charge Creditors

The Company had no Floating Charge Creditors at the date of Liquidation.

Non-preferential Unsecured Creditors

Creditors' claims, as per the Statement of Affairs totalled £117,023.02 and the agreed creditors' claims amount to £123,388.05. Unfortunately based on the information available to date, it is unlikely that there will be a dividend to any class of creditor.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

Specifically, I recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the 24 months prior to the Company ceasing to trade from the Company's bankers; and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the liquidation and made enquiries about the reasons for the changes.

Following my review of the Company records I have identified a number of transactions to the Company Director that required further explanation and enquiries have been made in this regard, however, to date no response has been received and this matter remains ongoing.

Within six months of my appointment as Liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

PRE-APPOINTMENT REMUNERATION

The creditors' previously authorised the payment of a fee of £3,500.00 plus VAT for my assistance with preparing the Statement of Affairs and convening and holding the meeting of creditors at a meeting held on 24 March 2016.

The fee for preparing the Statement of Affairs and convening and hold the meeting of creditors was paid from first realisations on appointment and is shown in the enclosed receipts and payments account.

LIQUIDATORS' REMUNERATION

Mr Remuneration was previously authorised by the creditors by a written resolution dated 19 April 2016. My Remuneration was authorised on a time cost basis based on a fees estimate of £19,895.00. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors. My total time costs for the period 24 March 2016 to 23 March 2017 amount to £11,810.50 representing 88.40 of hours work at an average charge out rate of £133.60 per hour. The actual average charge out rate incurred, £133.60, is lower than the estimated charge out rate within the fees estimate of £149.59.

I have drawn £1,700.00 during the period 24 March 2016 to 23 March 2017.

A detailed schedule of my time costs incurred to date is attached at appendix 2, and a comparison with my original fees estimate is detailed below:

Category	Estimated Time Costs	Actual Time Costs in the period 24 March 2016 to 23 March 2017	Difference (Under Estimate)
	£	£	£
Administration & Planning including Cashiering	9,702.50	5,090.00	(4,612.50)
Creditors	4,435.00	765.50	(3,669.50)
Investigations	3,215.00	4,465.00	1,250.00
Realisation of Assets	2,542.50	1,490.00	(1,052.50)

As at 23 March 2017 I do not anticipate that the total time costs I will incur in this matter in respect of the categories of work for which I am being remunerated on a time cost basis will exceed the total estimated remuneration I set out in my fees estimate when my remuneration was authorised by the creditors.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, together with an explanatory note which shows F A Simms & Partners Limited fee policy are available at the link www.fasimms.co.uk. Please note that there are different versions of the Guidance Notes and in this case you should refer to the October 2015 version.

LIQUIDATORS' EXPENSES

I have incurred expenses during the period 24 March 2016 to 23 March 2017 of £2,950.63.

I have drawn £2,562.85 in the period 24 March 2016 to 23 March 2017.

I have incurred the following expenses in the period 24 March 2016 to 23 March 2017:

Type of Expense (Category 1 Disbursements)	Amount incurred/ accrued in the period 24 March 2016 to 23 March 2017	Outstanding	Paid
	£	£	£
Insolvency Bond	170.00	170.00	Nil
Statutory Advertising	115.92	115.92	Nil
Postage	18.53	18.53	Nil
External Room Hire	83.33	83.33	Nil
Petitioners Costs	697.85	Nil	697.85
Agents/Valuers Fees	1,825.00	Nil	1,825.00
IT Charges	25.00	Nil	25.00
Bank Charges	15.00	Nil	15.00
Total	2,950.63	387.78	2,562.85

I have incurred the following category 2 disbursements in the period 24 March 2016 to 23 March 2017:

Type of Expense (Category 2 Disbursements)	Amount incurred/ accrued in the period 24 March 2016 to 23 March 2017	Outstanding	Paid
	£	£	£
Mileage	21.60	21.60	Nil
Food & Drink	3.79	3.79	Nil
Total	25.39	25.39	Nil

A detailed schedule of my category 2 disbursements incurred in the period 24 March 2016 to 23 March 2017 is attached at Appendix 2.

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Eddisons Commercial Limited	Valuer/Auctioneer	Percentage of realisations, Time Costs and Expenses

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

As advised earlier in my report, Eddisons Commercial Limited were instructed to provide a valuation of the Company's assets and conduct a sale of the assets on behalf of the Joint Liquidator.

Below is a comparison between the estimated expenses and the expenses incurred in the period 24 March 2016 to 23 March 2017:

Nature of Expense	Estimated Expenses	Expenses incurred to date
	£	£
Insolvency Bond	250.00	170.00
Storage Costs	80.00	Nil
Statutory Advertising	168.94	115.92
IT Charges	25.00	25.00
Agents Fees	1,500.00	1,825.00
Solicitors Fees	2,000.00	Nil
Company Search	5.00	Nil
Debt Collection	1,000.00	Nil
External Room Hire	Nil	83.33
Petitioners Costs	Nil	697.85
Postage	Nil	18.53
Bank Charges	Nil	15.00
Mileage	Nil	21.60
Food & Drink	Nil	3.79
Total	5,028.94	2,976.02

As at 23 March 2017 I do not anticipate that the expenses I will incur in this matter will exceed the total expenses I estimated I would incur when my remuneration was authorised by the creditors.

FURTHER INFORMATION

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.

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.

To comply with the Provision of Services Regulations, some general information about F A Simms & Partners Limited can be found at www.fasimms.co.uk.

SUMMARY

The Liquidation will remain open until the position regarding the transactions with Company Director, identified during our investigations, have been fully resolved. I estimate that this will take approximately 12 months and once resolved the Liquidation will be finalised and our files will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Jack Thomber via telephone on 01455 555 444 or by email at jthomber@fasimms.com.



Martin Richard Buttriss
Joint Liquidator

M Wood Building Services Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 24/03/2016 To 23/03/2017 £	From 24/03/2016 To 23/03/2017 £
	SECURED ASSETS		
5,250.00	Goodwill	6,750.00	6,750.00
		<u>6,750.00</u>	<u>6,750.00</u>
	ASSET REALISATIONS		
1,500.00	Plant & Machinery	NIL	NIL
41,433.90	Book Debts	2,358.00	2,358.00
1.33	Cash at Bank	NIL	NIL
	Bank Interest Gross	0.10	0.10
		<u>2,358.10</u>	<u>2,358.10</u>
	COST OF REALISATIONS		
	Petitioners Costs	697.85	697.85
	Preparation of S. of A.	3,500.00	3,500.00
	Office Holders Fees	1,700.00	1,700.00
	Agents/Valuers Fees (1)	1,825.00	1,825.00
	IT Charges	25.00	25.00
	Bank Charges	15.00	15.00
		<u>(7,762.85)</u>	<u>(7,762.85)</u>
	UNSECURED CREDITORS		
(88,992.27)	Trade & Expense Creditors	NIL	NIL
(14,079.75)	H M Revenue & Customs (VAT)	NIL	NIL
(13,951.00)	H M Revenue & Customs (CT)	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(68,937.79)</u>		<u>1,345.25</u>	<u>1,345.25</u>
	REPRESENTED BY		
	Interest Bearing Current A/C		640.25
	Vat Control Account		705.00
			<u>1,345.25</u>

Time Entry - SIP9 Time & Cost Summary

9579 - M Wood Building Services Limited
 Project Code: POST
 From: 24/03/2016 To: 23/03/2017

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	7.00	18.50	0.30	7.40	33.20	5,000.00	150.80
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contractors	0.90	3.40	0.00	0.60	4.90	765.50	156.22
Investigations	2.20	31.80	0.00	4.10	38.10	4,465.00	117.19
Non Chargeable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	1.00	10.20	0.00	0.00	11.20	1,490.00	133.04
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	11.10	63.90	0.30	12.10	87.40	11,720.50	134.10
Total Fees Claimed						1,700.00	
Total Disbursements Claimed						0.00	

Time Entry - SIP9 Time & Cost Summary Category 2 Disbursements

9579 - M Wood Building Services Limited
Project Code: POST
From: 24/03/2016 To: 23/03/2017

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

Transaction Date	Type and Purpose	Amount
24/03/2016	Mileage: Travel to east Midlands Airport	21.60
24/03/2016	Food & Drink: Welcome Break Group Ltd	3.79
Total		25.39

1. Administration

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up physical and electronic case files.
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Convening and holding general meetings of creditors and members (as applicable).
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing annual progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.

2. Creditors

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.
- Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.

3. Investigations

- Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act.