

Liquidator's Progress Report**Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986****S.192**

To the Registrar of Companies

Company Number

05784018

Name of Company

(a) Insert full name
of company

(a) Day Construction Limited

(b) Insert full
name(s) and
address(es)

We (b)

Stephen Paul Grant of Wilkins Kennedy LLP, Bridge House, London Bridge,
London SE1 9QR and Anthony Malcolm Cork of Wilkins Kennedy LLP, Bridge
House, London Bridge, London SE1 9QRthe Joint Liquidators of the company attach a copy of our Progress Report under
section 192 of the Insolvency Act 1986The Progress Report covers the period from 19 December 2012 to 18 December
2013

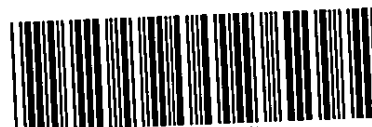
Signed



Date 13 February 2014

Presenter's name,
address and
reference
(if any)Stephen Paul Grant
Wilkins Kennedy LLP
Bridge House
London Bridge
London
SE1 9QR

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COMPANIES HOUSE

**Day Construction Limited –
In Liquidation
("the Company")**

**Annual Progress Report to the Members and Creditors
Pursuant to Section 104A of the Insolvency Act 1986 for the Year Ending**

18 December 2013

**Wilkins Kennedy LLP
Bridge House
London Bridge
London
SE1 9QR**

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- I Receipts and payments account
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1. INTRODUCTION

The anniversary of my appointment as Joint Liquidator has passed and I am required to send you a report on what has happened in the liquidation since my appointment

The detailed report is provided below, but in summary during the period 19 December 2012 to 18 December 2013 I have

- Corresponded with Richard Birch & Co Limited regarding the valuation and sale of the Company's chattel assets,
- Liaised with the Company's bank to close the accounts and realise the balances,
- Liaised with the Company's insurance provider to realise a refund on the Company's fleet rated commercial motor insurance,
- Coordinated with the Company's director regarding the employees arrears of wages and claims for accrued holiday pay,
- Responded to a considerable number of queries from the Company's former employees regarding their claims in the liquidation and the monies paid to them by the Redundancy Payments Office
- Undertaken and completed my statutory investigations into the Company's affairs and submitted a report to the Department of Business Innovation and Skills regarding the director's conduct
- Corresponded with the Company's director/shareholder regarding a payment made to him from the Company's funds prior to liquidation and negotiated a settlement with him for the benefit of the liquidation

I am in the process of agreeing the preferential claims for the purposes of declaring a dividend of 100 pence in the £

2. BACKGROUND

The members' and creditors' meetings were held on 19 December 2012, when my partner Anthony Malcolm Cork and I were appointed Joint Liquidators of the Company

The Company's registration number is 05784018 and its current registered office is Bridge House, London Bridge, London SE1 9QR

The Company's former registered office and trading address was Unit 6 Kingley Park, Station Road, Kings Langley, Herefordshire WD4 8GW

3. RECEIPTS AND PAYMENTS ACCOUNT

Appendix I is a summary of receipts and payments from the date of liquidation on 19 December 2012 to 18 December 2013

As at 18 December 2013 a total of £25,931 01 was held in the liquidation account. This account is held at Allied Irish Bank Plc. It is interest bearing and I confirm that it has been reconciled to the bank statements

4. ASSET REALISATIONS

The Company's statement of affairs lists assets with an estimated to realise amount of £32,568 00

I can confirm that all asset realisations have been completed and that there are no further funds expected to be received into the liquidation. Full details of the asset realisations have been provided below

Plant & Machinery

The director's statement of affairs provided for plant & machinery with an estimated to realise value of £5,875 00

Richard Birch & Co Limited, independent chattel agents, were instructed to assist with the valuation and sale of the Company's assets. An amount of £5,700 00 was realised on the sale of the above assets

Fixtures & Fittings

A minimal amount of £203 00 was estimated to be realised in respect of the Company's fixtures & fittings according to the statement of affairs

The Company's fixtures & fittings consisted of its computer equipment which sold for £250 00, being an uplift of £47 00 on the estimated to realise value

Motor Vehicles

At the date of liquidation the Company owned two vehicles which had an estimated to realise value of £4,300 00 and I am pleased to advise that these vehicles were sold by Richard Birch & Co Limited for £4,850 00

In addition to the above vehicles, prior to liquidation the Company had a vehicle subject to a lease agreement with Volkswagen Commercial Vehicle Finance. The monthly payments in respect of this vehicle had been paid by J F Day & Son (Builders) Limited since the Company had ceased to trade and the process of novating the lease agreement had been commenced before my appointment

The novation was completed on 19 February 2013

Please note that the sole director and shareholder of the Company is also the sole director and shareholder of J F Day & Son (Builders) Limited. For the avoidance of doubt, there was no value in the vehicle for the liquidation since the vehicle was not owned by the Company. In the event that the agreement had not been novated to J F Day & Son (Builders) Limited, the vehicle would have been required to have been returned to Volkswagen Commercial Vehicle Finance

Book Debts

The statement of affairs showed book debts with a book value of £26,836 00 and an estimated to realise value of £20,127 00

Following my appointment it was brought to my attention that the book debt information included in the statement of affairs was the position as per the accounts to 21 November 2012 and a number of the debtor balances had been settled in the intervening period

The revised value of the book debt ledger was provided by the director together with an offer of assistance in collecting the balances due. It was believed that the director's previous relationship with the debtors would result in a better recovery for creditors than if the Joint Liquidators were to contact the debtors for payment

I am pleased to confirm that with the director's assistance the book debt ledger has been realised in full and funds in the amount of £11,491 94 have been received in this respect

Cash at Bank

The statement of affairs estimated that the balance of £2,063 00 held in the Company's bank accounts with Santander UK Plc would be realised in full

Upon my appointment I contacted the bank and requested that the credit balance in the Company's accounts be transferred to the liquidation account and that the accounts be closed with immediate effect. An amount of £2,184.71 was realised in this respect.

Insurance Refund

A refund of £186.65 was received from the Company's insurance provider, Bluefin Insurance Services Limited on cancellation of the Company's fleet related commercial motor insurance.

Rates Refund

An amount of £1,086.41 has been received from Three Rivers District Council in relation to a rates refund.

Preference Claim

During my investigation into the Company's affairs I identified payments totalling £46,000.00 that had been made to the shareholder prior to the Company going into liquidation in respect of dividends that had been declared in the period 1 April 2013 to 18 December 2013.

I considered the payments made to be a preference under Section 239 of the Insolvency Act 1986 and contacted the shareholder to arrange for immediate repayment of these monies.

Negotiations were held between the shareholder and the Joint Liquidators for repayment of these monies and I can confirm that a full and final settlement offer of £20,000.00 was accepted by the Joint Liquidators and payment of this amount was received on 8 August 2013.

Bank Interest Gross

The Company's liquidation account, at Allied Irish Bank Plc, is interest bearing and to-date has accrued £15.21. I can confirm that the bank account has been reconciled to the bank statements.

5. EXPENDITURE

Pre Appointment Remuneration

At a meeting held on 19 December 2012, the creditors authorised the payment of a fee of £7,500.00 plus VAT and disbursements for assisting in the preparation of the statement of affairs and producing and circulating the notices for the meetings of members and creditors prior to my appointment.

This fee was paid from first realisations in the liquidation and is shown on the enclosed receipts and payments account.

Joint Liquidators' remuneration

My remuneration was authorised by creditors at a meeting held on 19 December 2012 to be drawn on a time costs basis. My total time costs to 18 December 2013 amount to £10,600.00, which have been charged at an average hourly charge out rate of £130.30.

I have drawn £7,982.70 to date.

A description of the routine work undertaken in the liquidation is set out at Appendix II. In addition to the routine work, I have incurred costs as follows:

- Instructing Richard Birch & Co Limited to value, market and sell the Company's assets

- Completing and submitting the RP14 and RP14a to the Redundancy Payments Office in respect of the employees' claims against the Company
- Corresponding with the director to arrange delivery of the Company's books and records
- Pursuing the director for the completed questionnaire regarding his conduct as a director of the Company
- Conducting an investigation into the director's conduct prior to the Company's insolvency and reporting my findings to The Insolvency Service
- Negotiating a settlement with the shareholder in respect of the preference payment made to him
- Liaising with the Landlord in relation to the Company's lease
- Responding to numerous queries from the former employees regarding their claims in the liquidation and the payments received from the National Insurance Fund
- Collating the relevant information from the Company, the employees and the Redundancy Payments Office in order to commence a review of the preferential creditors' claims for the purposes of paying a first and final dividend to this class of creditor

A "Creditors' Guide to Liquidators' Fees" is available at the following internet link, www.r3.org.uk/index.cfm?page=1210 A hard copy of this document is available free of charge upon request to my office

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 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

Joint Liquidators' Expenses

My expenses to 18 December 2013 amount to £1,787 98 I have drawn expenses totalling £1,771 78 to date

The following expenses have been incurred

<u>Particulars of Expense</u>	<u>Type of Expense</u>	<u>Amount Incurred</u>	<u>Amount Outstanding</u>
Storage Costs	Category 1	£U/K	£U/K
Courier Costs	Category 1	£16 20	£16 20
Mail Re-direction	Category 1	£60 00	NIL
Statutory Advertising	Category 1	£183 00	NIL
IT Administration Fee	Category 1	£110 00	NIL
Statutory Bonding	Category 1	£80 00	NIL
Asset Insurance	Category 1	£1,338 78	NIL
Total		£1,787.98	£16 20

In preparing this report it has come to my attention that I have not yet received any invoices from the archiving company that is being used to store the Company's books and records I have requested an invoice for the charges to date however, this has not yet been provided and as such I am unable to provide details of the costs to be incurred by the estate in this respect

Professional Fees

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

The following agents have been used in the liquidation:

<u>Agent/Professional Advisor</u>	<u>Nature of Work</u>	<u>Fee Arrangement</u>
Richard Birch & Co Limited	Valuation and sale of assets	£750.00 valuation fee and 10% of asset realisations
Storeys Edward Symmons	Audit of business rates liabilities and payments	20% of the refund secured

There are no outstanding fees owed to either of the professional advisors instructed in the liquidation. Based on current information, it is not anticipated that the services of any additional professional advisors will be required.

6. INVESTIGATION

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. I considered in particular transactions which took place at the time of and immediately prior to the Company ceasing to trade.

Other than the preference payment mentioned previously, there were no matters that justified further investigation in the circumstances of this appointment.

Within six months of my appointment, I was 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 confirm that my report has been submitted.

7. CREDITORS' CLAIMS

Secured Creditor

Based on the information available at the date of my appointment, the Company had no secured creditors and I have not become aware of any information to the contrary during the period of the liquidation.

Section 176A(1)(a) of the Insolvency Act 1986 requires that, where the Company has created a floating charge after 15 September 2003, the Liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims. "Net property" means the amount which would, were it not for this provision, be available to floating charge holders (i.e. after accounting for preferential debts and the costs of the liquidation).

The prescribed part is calculated as 50% of the first £10,000.00 of net property and 20% of the balancing net property (up to a maximum amount to be made available of £600,000.00). A Liquidator will not be required to set aside the prescribed part if

- the net property is less than £10,000 00 and he thinks the cost of distributing the prescribed part would be disproportionate to the benefit (Section 176A(3)), or
- he applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

As there are no secured creditors the prescribed part is not applicable

Preferential Creditors

The only known preferential creditors are the former employees for arrears of wages (up to a maximum of £800 00 or four weeks, whichever is the lesser) and holiday pay (without limit) and the Redundancy Payments Office for any payments made to employees from the National Insurance Fund in this respect

Preferential claims received to date total £5,541 36 compared to £1,028 00 shown on the statement of affairs. I am currently undertaking a review of the claims received for the purposes of declaring a first and final dividend of 100 pence in the £ to this class of creditor

Unsecured Creditors

The statement of affairs detailed unsecured creditors' claims of approximately £99,462 00 in this matter

To date, I have received four unsecured claims totalling £80,950 24 however, claims have not yet been agreed or admitted for dividend purposes

8. DIVIDEND PROSPECTS

As referred to above, a first and final dividend of 100 pence in the £ will be paid to preferential creditors shortly

It is likely that a small dividend will be paid to the unsecured creditors in this matter however, the quantum of this dividend will depend on the level of the claims agreed and the funds available following the payment of the final liquidation costs

9. CONCLUSION

The liquidation will remain open until the preferential dividend has been paid, the unsecured creditors' claims have been agreed and a dividend declared. Once the dividend cheques have cleared the liquidation account, I will draft my final report on the conduct of the liquidation and summon a final meeting of creditors

The next formal report will be following the next anniversary of the liquidation, or the conclusion of the liquidation, whichever is sooner. However, I will be happy to respond to any specific request for further information submitted in the meantime

When contacting this office about the liquidation, please ask for Sjana Whitby



Stephen Paul Grant
Joint Liquidator

Day Construction Limited - In Creditors Voluntary Liquidation
Joint Liquidators' Abstract of Receipts & Payments

From 19 December 2012 to 18 December 2013

S of A £		Total £
RECEIPTS		
5,875	Plant & Machinery	5,700 00
203	Fixtures & Fittings	250 00
4,300	Motor Vehicles	4,850 00
NIL	Book Debts	11,491 94
NIL	Insurance Refund	186 65
2,063	Cash at Bank	2,184 71
NIL	Bank Interest Gross	15 21
NIL	Rates Refund	1,086 41
NIL	Preference Claim	20,000 00
<u>12,441</u>		<u>45,764 92</u>
PAYMENTS		
	Statement of Affairs Fee	7,500 00
	Office Holders Fees	7,982 70
	Agents/Valuers Fees (1)	2,268 43
	Re-Direction of Mail	60 00
	Statutory Advertising	244 00
	Insurance of Assets	1,338 78
	Snagging Work	250 00
	IT Administration Fee	110 00
	Vat Control Account	0 00
	Specific Bond	80 00
		<u>19,833 91</u>
CASH IN HAND		<u>25,931 01</u>

APPENDIX II

ANALYSIS OF TIME COSTS, EXPLANATION OF TIME CHARGING AND DISBURSEMENTS RECOVERY POLICY AND COMPLAINTS PROCEDURE

WILKINS KENNEDY LLP

Schedule of Joint Liquidators' remuneration and disbursements

for

Day Construction Limited

as at 18 December 2013

JOINT LIQUIDATORS' FEES

HOURS						Time Cost £	Average hourly rate £
Classification Of work function	Partner	Manager	Other senior Professionals	Assistants & support staff	Total Hours		
Administration & planning	2 65	0 40	1 50	12 65	17 20	2,879 50	167 41
Cashiering & Accounting	2 80	-	3 60	3 80	10 20	1,849 50	181 32
Realisation of assets	0 10	-	0 50	6 95	7 55	885 00	117 22
Investigations	0 10	0 30	-	18 60	19 00	1,961 50	103 24
Employees	0 10	2 40	0 20	20 80	23 50	2,807 00	119 45
Creditors	-	-	-	1 80	1 80	180 00	100 00
Statutory	0 50	-	0 10	1 50	2 10	37 50	176 43
Total hours	6 25	3 10	5 90	66 10	81 35	10,600 00	130 30
Total fees claimed (£)						(7,982 70)	

Wilkins Kennedy LLP Charge-Out Rates

1 February 2012 to 31 July 2013

£

1 August 2013 to date

£

Partners/Directors	400 00 – 450 00
Senior Managers/Managers	270 00 – 300 00
Supervisors	205 00
Case Managers/Senior Administrators	195 00
Administrators/Investigators	100 00 – 145 00
Junior/Trainee Administrators	65 00 – 100 00
Cashiers/Sekretanes	75 00 – 90 00

Partners/Directors	400 00 – 450 00
Senior Managers/Managers	270 00 – 300 00
Supervisors	205 00
Case Managers/Senior Administrators	145 00 – 195 00
Administrators/Investigators	100 00 – 160 00
Junior/Trainee Administrators	65 00 – 100 00
Cashiers/Sekretaries	75 00 – 90 00

Explanation of Office Holders Time Charging Policy

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), the charge out rates detailed on the previous page are applicable to this appointment exclusive of VAT. Rates are normally reviewed on an annual basis and adjustments made accordingly where deemed appropriate.

Time is recorded in 6 minute units by each staff member working on the case. A description of the routine work undertaken which time will be recorded for is detailed as follows:

1 Administration and planning

- Preparing documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details
- Reviewing the ongoing progression of case files
- Arranging the collection and storage of company records
- Ensuring an appropriate case bordereau is in place
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors where appropriate

2 Investigations

- Review and storage of the Company's books and records
- Preparation of returns / reports pursuant to the Company's Directors Disqualification Act 1986
- Conduct investigations into any suspicious transactions
- Reviewing the books and records to identify any transactions or actions that the officeholder may take in order to recover funds for the benefit of creditors

3 Realisation of assets

- Identifying, securing and obtaining sufficient insurance in respect of company assets
- Dealing with any retention of title or other third party claims
- Debt collection functions
- Negotiating and completing property, business and asset sales

4 Creditors

- Dealing with creditor correspondence and telephone conversations
- Maintaining creditor information and claims (including those submitted by secured creditors, employees and other preferential creditors)

Explanation of Office Holders Disbursement Recovery Policy

SIP 9 also requires that the office holder provide a statement of the officeholder's policy in relation to the recharging of disbursements SIP 9 defines disbursements as either Category 1 or Category 2 disbursements, further details of which are below

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage

Category 2 disbursements will generally comprise costs which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs

Charging and disbursement recovery policy

Category 1 disbursements are recoverable without approval, and will be recovered by the officeholder as they are incurred

Category 2 disbursements do require approval, and should be identified and subject to approval by those responsible for approving remuneration SIP 9 provides that the officeholder may make a separate charge for expenses in this category, provided that

- such expenses are of an incidental nature and are directly incurred on the case, and there is a reasonable method of calculation and allocation, it will be persuasive evidence of reasonableness, if the resultant charge to creditors is in line with the cost of external provision, and
- the basis of the proposed charge is disclosed and is authorised by those responsible for approving his remuneration

Payments to outside parties in which the officeholder or his firm or any associate (as defined by Section 435 of the Insolvency Act 1986) has an interest should be treated as category 2 disbursements

The following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision

Photocopying	5 pence per sheet
Mileage	45 pence per mile
Meeting Room	£50

Complaints Procedure

Details of our complaints procedure are available on our website using the following link [http //www.wilkinskennedy.com/services/wk-restructuring-recovery/insolvency/complaints-procedure](http://www.wilkinskennedy.com/services/wk-restructuring-recovery/insolvency/complaints-procedure)