

**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

06092785

Name of Company

Delta Contracts Limited

I / We

Mary Anne Currie-Smith, 3A Crome Lea Business Park, Madingley Road, Cambridge, CB23 7PH

John A Lowe, 2 Merus Court, Meridian Business Park, Leicester, LE19 1RJ

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 21/05/2013 to 20/05/2014

Signed



Date

20.5.14

Begbies Traynor (Central) LLP  
Unit 3a, Crome Lea Business Park  
Madingley Road  
Cambridge  
CB23 7PH

Ref DE155CVL/MACS/JL/CXW/PC

THURSDAY

A27 22/05/2014 #65  
COMPANIES HOUSE

**Delta Contracts Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 21/05/2013 To 20/05/2014
	<b>ASSET REALISATIONS</b>	
150 00	Furniture, Equipment & Tools	150 00
NIL	Goodwill	NIL
31,829 88	Book Debts	1,039 94
	Insurance Refund	89 02
43 17	Cash at Bank	114 96
	Bank Interest Gross	0 86
	Construction Industry Scheme Refund	1,508 93
		<u>2,903 71</u>
	<b>COST OF REALISATIONS</b>	
	Office Holders Expenses	556 12
	Debt collection costs	484 75
	Storage Costs	25 38
		<u>(1,066 25)</u>
	<b>PREFERENTIAL CREDITORS</b>	
(800 00)	Employees re Arrears/Hol Pay	<u>NIL</u>
		NIL
	<b>UNSECURED CREDITORS</b>	
(95,296 46)	Trade Creditors	<u>NIL</u>
(22,500 00)	HSBC Bank plc	<u>NIL</u>
		NIL
	<b>DISTRIBUTIONS</b>	
(25 00)	Ordinary Shareholders	<u>NIL</u>
		NIL
<u>(86,598.41)</u>		<u><u>1,837 46</u></u>
	<b>REPRESENTED BY</b>	
	Bank 1 Current	1,681 21
	Vat Control Account	156 25
		<u><u>1,837.46</u></u>



Mary Anne Currie-Smith  
Joint Liquidator

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**Delta Contracts Limited**

**(In Creditors' Voluntary Liquidation)**

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Progress report pursuant to Section 104A of the  
Insolvency Act 1986 and Rule 4.49C of the  
Insolvency Rules 1986

Period: 21 May 2013 to 20 May 2014

### **Important Notice**

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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# 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Delta Contracts Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 21 May 2013
"the liquidators", "we", "our" and "us"	Mary Anne Cume-Smith of Begbies Traynor (Central) LLP, Unit 3a, Crome Lea Business Park, Madingley Road, Cambridge, CB23 7PH and John A Lowe of Begbies Traynor (Central) LLP, 2 Merus Court, Meridian Business Park, Leicester, LE19 1RJ
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

This report, which is issued pursuant to Section 105 of the Act, should be read in conjunction with our report of the initial meeting of creditors held on 21 May 2013

## 2. COMPANY AND LIQUIDATORS' DETAILS

Trading name(s)

Registered office address	c/o Begbies Traynor (Central) LLP, 3A Crome Lea Business Park, Madingley Road, Cambridge, CB23 7PH
Company registered number	06092785
Nature of business	Shop fitting and bar fitting
Former trading address	Pines Hill, Stoney Common Road, Stansted, Essex, CM19 4LL
Date winding up commenced	21 May 2013
Date of liquidators' appointment	21 May 2013
Changes in liquidator(if any)	None

## 3. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our account of receipts and payments from the commencement of the winding-up to the first anniversary, incorporating a period account summarising transactions in the first year

Our comments on items appearing in the account are as follows

### **Chattel assets**

The Company's furniture equipment and tools were sold to the director, Chris Wood, on 5 July 2013 for £150. These items comprised a plotter, telephones and a computer, all of which had been acquired by the company some time previously. It was felt that this sale would produce a higher net realisation than arranging for the goods to be collected and sold at auction, all of which would have incurred additional costs.

### **Book debts**

At the time of liquidation there were six outstanding book debts with a book value of £75,670, of which the director hoped at least £31,830 would be recoverable.

Unfortunately the largest debtor, Cranebuild, who owed £64,815 went into liquidation on 22 August 2013 and so this debt is irrecoverable. One small debt has been realised and three debts written off. The last debt for £2,944 is currently being pursued by my lawyers.

### **Sundry refunds**

We have received a small insurance refund and also a refund from the CIS.

### **Liquidators' disbursements**

We have incurred disbursements of £592.56, of which £556.12 has been recovered to date.

The disbursements are summarised overleaf.

<b>Paid to</b>	<b>Amount £</b>	<b>In respect of</b>
Companies House Direct	4 00	Company searches
Courts Advertising	338 40	Statutory notices
Royal Mail	175 16	Postage costs for creditors' circulars
Insolvency Risk Services	75 00	Specific bond premiums
<b>Total</b>	<b>592 56</b>	

#### **Debt collection fees**

I have instructed solicitors, Breeze and Wyles, to pursue the outstanding book debts. Legal fees total £484 75 of which £130 00 relates to Cranebuild and £348 75 relates to the debt for £2,944 which is still being pursued.

#### **Storage costs**

The storage costs are paid to Doxbond and relate to the cost of storing the company's books and records.

#### **Balance in hand**

As may be seen from the attached receipts and payments account, the balance in hand stands at £1,837 46.

## **4. ESTIMATED OUTCOME FOR CREDITORS**

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs included within the report sent to creditors immediately after liquidation.

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows:

#### **Secured creditor**

There are no secured creditors.

#### **Preferential creditors**

We have received a preferential claim for £571 40 from the Redundancy Payments Office in respect of payments made to the employees. However, there is no prospect of a distribution on preferential claims.

#### **Prescribed Part for unsecured creditors pursuant to Section 176A of the Act**

There is no floating charge creditor and so the prescribed part provisions do not apply.

#### **Unsecured creditors**

We confirm, pursuant to Rule 11.7 of the Rules that no dividend will be declared in respect of unsecured claims as the balance of funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation.

## 5. LIQUIDATORS' DISBURSEMENTS

## REMUNERATION

&

Our remuneration is based on the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge-out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation and was approved at the meeting of creditors held pursuant to Section 98 of the Act on 21 May 2013

Total time spent to 12 May 2014 on this assignment amounts to 82.9 hours at an average composite rate of £175.86 per hour resulting in total time costs to date of £14,579

I have not drawn any fees to date and obviously the limited funds in hand mean that I can only recover a small proportion of my time costs. I propose shortly to draw remuneration on account of £1,500 plus VAT as a contribution towards my time costs. Based on present information my remaining time costs of over £13,000 will be written off.

- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates
- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value

A copy of 'A Creditors' Guide to Liquidators' Fees (E&W)' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides). Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

### Liquidators' disbursements

The creditors at the Section 98 meeting provided approval for us to draw disbursements, including disbursements for services provided by our firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, a copy of which is attached at Appendix 2 of this report.

Our disbursements were detailed earlier in this report.

## 6. ASSETS THAT REMAIN TO BE REALISED

The only assets which remain to be realised are one outstanding book debt and a possible claim for VAT bad debt relief.

## 7. OTHER RELEVANT INFORMATION

### Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate



submission to the Department for Business Innovation and Skills We can confirm that we have discharged our duties in these respects

#### **Connected party transactions**

In accordance with Statement of Insolvency Practice 13, we confirm that the following assets were sold to a director of the Company

Date of sale	Asset sold and nature of transaction	Consideration paid and date	Name of Purchaser	Relationship with the Company
5 7 13	Chattel assets (comprising a plotter, telephones and a computer)	£150	C Wood	Director

## **8 CREDITORS' RIGHTS**

Pursuant to Rule 4.49E of the Rules, 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, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that the we provide further information about our remuneration or expenses which have been detailed in this progress report

#### **Right to make an application to court**

Pursuant to Rule 4.131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate

## **9 CONCLUSION**

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner



**Mary Currie-Smith**  
Joint Liquidator

Dated 20 May 2014

**APPENDIX 1**

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**ACCOUNT OF RECEIPTS AND PAYMENTS**

**Period 21 May 2013 to 20 May 2014**

**Delta Contracts Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 21/05/2013 To 20/05/2014	From 21/05/2013 To 20/05/2014
	<b>ASSET REALISATIONS</b>		
150 00	Furniture, Equipment & Tools	150 00	150 00
NIL	Goodwill	NIL	NIL
31,829 88	Book Debts	1,039 94	1,039 94
	Insurance Refund	89 02	89 02
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	Bank Interest Gross	0 86	0 86
	Construction Industry Scheme Refund	1,508 93	1,508 93
		<u>2,903 71</u>	<u>2,903 71</u>
	<b>COST OF REALISATIONS</b>		
	Office Holders Expenses	556 12	556 12
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	Storage Costs	25 38	25 38
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	<b>PREFERENTIAL CREDITORS</b>		
(800 00)	Employees re Arrears/Hol Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>UNSECURED CREDITORS</b>		
(95,296 46)	Trade Creditors	NIL	NIL
(22,500 00)	HSBC Bank plc	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>DISTRIBUTIONS</b>		
(25 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(86,598.41)</u>		<u><u>1,837.46</u></u>	<u><u>1,837.46</u></u>
	<b>REPRESENTED BY</b>		
	Bank 1 Current		1,681 21
	Vat Control Account		156 25
			<u><u>1,837.46</u></u>



Mary Anne Currie-Smith  
Joint Liquidator

## TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred, and
- d Table of time spent and charge-out value

## **BEGBIES TRAYNOR CHARGING POLICY**

### **INTRODUCTION**

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance<sup>1</sup> requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance<sup>2</sup> requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

### **OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

### **EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

<sup>1</sup> Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

<sup>2</sup> *Ibid* 1

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*

- Telephone and facsimile
- Printing and photocopying
- Stationery

#### BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Cambridge office as at the date of this report are as follows

	<b>Standard 1 May 2011 — until further notice Regional</b>
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee	110
Administrator	
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units

## SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME	Delta Contracts Limited
CASE TYPE	Creditors' voluntary liquidation
OFFICE HOLDERS	Mary Anne Currie-Smith and John A Lowe
DATE OF APPOINTMENT	21 May 2013

### 1 CASE OVERVIEW

- 1 1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case
- 1 2 **Complexity of the case**  
The majority of time has been spent on pursuing the book debts
- 1 3 **Exceptional responsibilities**  
There have been no exceptional responsibilities
- 1 4 **The office holders' effectiveness**  
The main asset in the liquidation was the debt due from Cranebuild, a company which went into liquidation after costs had been incurred pursuing this debt
- 1 5 **Nature and value of property dealt with by the office holders**  
See report
- 1 6 **Anticipated return to creditors**  
There is no prospect of a dividend to any class of creditor
- 1 7 **Time costs analysis**  
An analysis of time costs incurred between 21 May 2013 and 12 May 2014 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type. The time costs analysis provides details of work undertaken by the Liquidators and their staff following their appointment only
- 1 8 **The views of the creditors**  
All enquiries from creditors have been dealt with on a timely basis
- 1 9 **Approval of fees and disbursements**  
The basis of the liquidators' fees and disbursements was agreed at the creditors' meeting held on 21 May 2013
- 1 10 **Other professionals employed & their costs**  
We instructed solicitors, Breeze and Wyles, to assist in the debt collection process. Their fees to date total £484 75

