

# AM10

## Notice of administrator's progress report



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number	0	0	6	8	1	5	3	7
Company name in full	Clugston Construction Limited							

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s)	James Richard
Surname	Clark

### 3 Administrator's address

Building name/number	1 Sovereign Square
Street	Sovereign Street
Post town	Leeds
County/Region	
Postcode	L S 1 4 D A
Country	

### 4 Administrator's name ①

Full forename(s)	Howard
Surname	Smith

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number	1 Sovereign Square
Street	Sovereign Street
Post town	Leeds
County/Region	
Postcode	L S 1 4 D A
Country	

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	<sup>d</sup> 0	<sup>d</sup> 6	<sup>m</sup> 0	<sup>m</sup> 6	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
To date	<sup>d</sup> 1	<sup>d</sup> 9	<sup>m</sup> 1	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X

*J. All*

X

Signature date

<sup>d</sup> 1	<sup>d</sup> 9	<sup>m</sup> 1	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------

**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 **Christian Crawford**

Company name **Interpath Advisory**

Address **1 St Peter's Square**

Post town **Manchester**

County/Region

Postcode **M 2 3 A E**

Country

DX

Telephone **Tel +44 (0) 161 529 9000**

**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

Joint  
Administrators'  
final progress  
report for the  
period 6 June  
2021 to 19  
November 2021

Clugston Construction Limited - in  
Administration

19 November 2021

# Notice to creditors

Please note that KPMG LLP sold its Restructuring practice in the UK to Interpath Ltd ('Interpath Advisory') on 4 May 2021. This will not have an impact on your day to day dealings of the administration of the Company and your case contacts remain the same. Please note that the contact details for your primary case contacts may have changed, please check the insolvency portal at <http://clugstonconstruction.ia-insolv.com> for the latest contact details.

This progress report provides a final update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since our previous progress report.

We have also explained the exit route from the administration and the outcome for each class of creditors.

You will find other important information in the document such as the costs we have incurred.

A glossary of the abbreviations used throughout this document is attached (Appendix 6).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, <http://clugstonconstruction.ia-insolv.com>. We hope this is helpful to you.

**Please also note that an important legal notice about this report is attached (Appendix 7).**

# Contents

<b>1</b>	<b>Executive summary</b>	<b>1</b>
<b>2</b>	<b>Progress to date</b>	<b>2</b>
<b>3</b>	<b>Outcome for creditors</b>	<b>5</b>
<b>4</b>	<b>Joint Administrators' remuneration and expenses</b>	<b>6</b>
<b>5</b>	<b>Conclusion of the administration</b>	<b>7</b>
<b>Appendix 1</b>	<b>Statutory information</b>	<b>8</b>
<b>Appendix 2</b>	<b>Joint Administrators' receipts and payments account</b>	<b>9</b>
<b>Appendix 3</b>	<b>Schedule of expenses</b>	<b>11</b>
<b>Appendix 4</b>	<b>Joint Administrators' charging and expenses policy</b>	<b>12</b>
<b>Appendix 5</b>	<b>Summary of Joint Administrators' proposals</b>	<b>16</b>
<b>Appendix 6</b>	<b>Glossary</b>	<b>18</b>
<b>Appendix 7</b>	<b>Notice: About this report</b>	<b>21</b>

# 1 Executive summary

This final progress report covers the administration of Clugston Construction Limited (the 'Company') and includes movements in the final period from 6 June 2021 to 19 November 2021 (the 'Period'). The administration will now be converted to Creditors' Voluntary Liquidation ('CVL').

Our strategy for the administration has continued to focus on the realisation of assets, namely book debts and WIP. Realisations from book debts, retentions and WIP have totalled £828,944 during the Period. There are 14 construction contract debts left to realise with a net book value totalling £2,045,870. Our agents estimate future realisations will be in excess of £50,000. We will continue to pursue these debts in the subsequent CVL (Section 2 - Progress to date).

Preferential claims comprise employee arrears of wages and holiday pay and are currently estimated at £493,822. Based on current estimates, we anticipate that preferential creditors will be paid in full. However, the timing of a distribution is currently unknown. The distribution to preferential creditors will be made in the subsequent CVL (Section 3 - Outcome for creditors).

Based on current estimates, it is anticipated that unsecured creditors will receive a dividend. However, quantum and timing of a distribution is currently unknown. The distribution to the unsecured creditors will be made in the subsequent CVL (Section 3 - Outcome for creditors).

A significant creditor in Clugston Group Limited (the Company's parent company) is the Pension Protection Fund ('PPF'). The Company has provided a limited guarantee in respect of CGL's liability to the PPF. The Company's remaining exposure in respect of this guarantee is approximately £3.0 million (Section 3 - Outcome for creditors).

We consider that our Proposals have been completed. There have been no amendments to, or major deviations from, our original Proposals.

We have filed a copy of this final progress report with the Registrar of Companies, together with the requisite notices to place the Company into Creditors' Voluntary Liquidation. We will cease to act as Joint Administrators when these documents are registered by the Registrar of Companies and on the same date will be discharged of liability in respect of any action of ours as Joint Administrators (Section 5 - Conclusion of the administration).

Please note: you should read this progress report in conjunction with our previous progress report(s) and proposals issued to the Company's creditors at <http://clugstonconstruction.ia-insolv.com>. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



James Clark  
Joint Administrator

## **2 Progress to date**

This section provides a final update on the strategy for the administration and on the progress made. It follows the information provided in our previous progress report.

### **2.1 Strategy and progress to date**

As detailed in our previous reports, our strategy has focussed on realising the Company's assets namely book debts and WIP. Acasta continues to assist the Joint Administrators with realisations from the regional construction business. Realisations from book debts, retentions and WIP have totalled £828,944 during the Period. There are 14 construction contract debts left to realise with a net book value totalling £2,045,870. Our agents estimate future realisations will be in excess of £50,000. We will continue to pursue these debts in the subsequent CVL.

In addition our in-house debtor realisation team, continues to liaise with a final debtor which has a net book value of £367,489. During the Period, the debtor provided a full breakdown of the costs it incurred as a result of the Company entering administration. We are continuing to liaise with the debtor to seek a settlement of this debt and will continue to do so once in CVL.

We consider that our Proposals have now been completed. There have been no amendments to, or major deviations from, our original Proposals.

The administration is due to automatically end on 5 December 2021, however there are outstanding matters that need to be completed. As noted above there are outstanding book debts with future realisations estimated to be in excess of £50,000. These book debts cannot be finalised until the contracts are completed by replacement contractors and the period to cover any defects arising in the construction work have lapsed. Once these debts have been realised and associated costs have been settled, we will be able to make a distribution to the Company's preferential and unsecured creditors.

We will also settle costs associated with the transport and storage of Company books and records in the subsequent CVL. Over 3,000 boxes of Company books and records are stored at an external storage facility, these records are to be transferred to Iron Mountain (where a further 3,000 boxes are currently stored) so all the Company records are held together and can be easily accessed. The costs associated with this transfer have been disclosed in our previous reports and are expected to be in the region of £30,000.

### **2.2 Asset realisations**

Realisations during the Period are set out in the attached receipts and payments account (Appendix 2).



Summaries of the most significant realisations during the Period are provided below.

Realisations from construction debts, retentions and WIP have totalled £828,944 during the Period.

We have continued to review the affairs of the Company to find out if there are any actions which can be taken against third parties to increase recoveries for creditors.

We have complied with the relevant statutory requirements by submitting the online director conduct assessment to the Department for Business, Energy and Industrial Strategy. The contents of our submission are confidential. In the absence of any new information, our investigation work has concluded, and no further action will be taken in this regard.

## **2.3 Costs**

Payments made in this Period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made during the Period are provided below.

During the Period, Joint Administrators' fees of £785,124 were paid. This was in line with approvals obtained from the Company's creditors.

During the Period, the Company paid agent's fees totalling £182,368 to Acasta in respect of their work in realising debtors, of which £145,605 related to the prior period. The Joint Administrators have agreed a fee mechanism with Acasta that is contingent on asset realisations in order to incentivise performance.

To comply with the Joint Administrators statutory duties, over 6,000 boxes of Company books and records have been collected and stored. The Company paid £5,120 to Box-It Humberside during the Period for storage of Company records.

On appointment, Marsh was instructed to provide insurance cover for the Company's assets. Accordingly, £531 was paid to Marsh during the Period.

## **2.4 Schedule of expenses**

We have detailed the costs incurred during the period, whether paid or unpaid, in the schedule of expenses attached (Appendix 3).

Summaries of the most significant expenses which have been incurred but have not yet been paid are provided below. These will be paid during the liquidation.

Car lease costs of £18,271 have been incurred in a previous period and will be paid during the liquidation.

Site clearance costs of £6,062 have been incurred in a previous period and will be paid during the liquidation.

## **3 Outcome for creditors**

### **3.1 Secured creditors**

At appointment NatWest held the benefit of fixed and floating charges over the Group by way of a debenture. As reported in our progress reports and Proposals, NatWest has confirmed that it has recovered its indebtedness in full.

As discussed in our previous progress report, legal Counsel has advised that HCCI's £6.7 million claim will rank above any intercompany claims, including where subrogation is applicable. HCCI is not expected to be fully repaid and as a result, CGL will not receive a distribution regardless of its position as a subrogated secured creditor.

### **3.2 Preferential creditors**

We estimate the value of preferential claims to be £493,822.

Based on current estimates, we anticipate that preferential creditors will receive a dividend during the liquidation. We have been liaising with the RPS in relation to its claim which has ultimately delayed the agreement of preferential claims. Once resolved, claims will be agreed and a dividend will be paid during the liquidation.

### **3.3 Unsecured creditors**

Based on current estimates, we anticipate that unsecured creditors should receive a dividend during the liquidation. The amount will be determined once the realisation of assets and payment of associated costs has been completed during the liquidation.

## **4 Joint Administrators' remuneration and expenses**

### **4.1 Joint Administrators' remuneration and expenses**

From 6 June 2021 to 19 November 2021, we have incurred time costs of £48,113. These represent 136 hours at an average rate of £353 per hour.

From the date of our appointment to 19 November 2021, we have incurred time costs of £1,066,652. These represent 3,388 hours at an average rate of £315 per hour.

During the Period we have drawn floating charge remuneration of £785,124.

The Joint Administrators have not incurred any expenses during the Period.

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by Interpath for the period from 6 June 2021 to 5 December 2021. We have also attached our charging and expenses policy.

## **5 Conclusion of the administration**

We have filed a copy of this final progress report with the Registrar of Companies, together with the requisite notices to place the Company into Creditors' Voluntary Liquidation.

We will cease to act as Joint Administrators when these documents are registered by the Registrar of Companies and on the same date will be discharged of liability in respect of any action of ours as Joint Administrators upon the filing of the final receipts and payments account with the Registrar of Companies.

Funds totalling £2,051,098 have been transferred into the CVL which represents the administration surplus. In addition, outstanding VAT due to the Company of £433,510 will be reclaimed from HMRC and will be paid into the subsequent CVL.

This is reflected in the receipts and payments account at Appendix 2.

## Appendix 1      Statutory information

### Company information

Company name	Clugston Construction Limited
Date of incorporation	25 January 1961
Company registration number	00681537
Present registered office	1 Sovereign Square, Sovereign Street, Leeds, LS1 4DA

---

### Administration information

Administration appointment	The administration appointment granted in High Court of Justice, Business and Property Court in Leeds, Insolvency and Companies List (ChD), 1297 of 2019
Appointor	Directors
Date of appointment	6 December 2019
Joint Administrators' details	James Clark and Howard Smith
Functions	The functions of the Joint Administrators have been exercised by them individually or together in accordance with Paragraph 100(2).
Current administration expiry date	5 December 2021

---

## Appendix 2

## Joint Administrators' receipts and payments account

<b>Clugston Construction Limited - in Administration</b>			
<b>Abstract of receipts &amp; payments</b>			
Statement of affairs (£)		From 06/06/2021 To 19/11/2021 (£)	From 06/12/2019 To 19/11/2021 (£)
ASSET REALISATIONS			
	Petty Cash	NIL	58.93
	Furniture & equipment	NIL	60,810.67
2,000,000.00	Book debts	828,944.18	2,641,375.66
	Contract novation realisations	NIL	3,458,598.65
	Property rights/Patents	NIL	200.00
	Insurance refund	NIL	196.39
		828,944.18	6,161,240.30
OTHER REALISATIONS			
	Bank interest, gross	142.20	3,445.74
	Charges for administrative services	NIL	28,545.12
	Sundry refunds	561.00	76,272.37
	Administrative services recharges	NIL	41,228.15
	Trading surplus/(deficit)	NIL	52,100.65
4,900,000.00	Prepayments	NIL	NIL
625,000.00	Intercompany loans	NIL	18,994.37
	Contribution to Cost from CNIM UK Ltd	NIL	52,500.00
		703.20	273,086.40
COST OF REALISATIONS			
	VAT to be reclaimed in liquidation	(433,510.38)	(433,510.38)
	Funds to liquidation	(2,051,097.90)	(2,051,097.90)
	Miscellaneous costs	NIL	(456.37)
	Administrative services	NIL	(8,625.13)
	Site Inspection Costs	NIL	(14,443.00)
	IT Services	NIL	(13,752.23)
	Other professional costs	NIL	(8,929.33)
	Administrators' pre-administration costs	NIL	(5,415.15)
	Administrators' fees	(785,123.63)	(1,035,123.63)
	Administrators' expenses	(105.58)	(11,056.57)
	Agents'/Valuers' fees	(182,367.71)	(893,058.18)
	Legal fees	NIL	(100,851.40)
	Storage costs	(5,120.20)	(45,425.55)

# Clugston Construction Limited - in Administration

## Abstract of receipts & payments

Statement of affairs (£)		From 06/06/2021 To 19/11/2021 (£)	From 06/12/2019 To 19/11/2021 (£)
	Re-direction of mail	NIL	(211.00)
	Statutory advertising	NIL	(73.00)
	Rent	NIL	(24,123.98)
	Utility Costs	NIL	(784.72)
	Other property expenses	NIL	(47,049.78)
	Insurance of assets	(530.88)	(24,127.38)
	Wages & salaries	NIL	(193,988.43)
	PAYE & NIC	NIL	(7,539.33)
	Bank charges	(80.00)	(200.00)
	Contract novation costs	NIL	(1,514,484.26)
		(3,457,936.28)	(6,434,326.70)
	PREFERENTIAL CREDITORS		
(409,286.00)	Employees' wage arrears	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(70,900,000.00)	Trade & expense	NIL	NIL
(2,668,800.00)	Employees	NIL	NIL
		NIL	NIL
<b>(66,453,086.00)</b>		<b>(2,628,288.90)</b>	<b>NIL</b>
	REPRESENTED BY		
	Floating ch. VAT rec'able		573,385.67
	Floating ch. VAT payable		(206,312.56)
	Floating ch. VAT control		(367,073.11)
			NIL



## Appendix 3      Schedule of expenses

### **Cost of realisations**

Joint Administrator fees	685,123.63	0.00	<b>685,123.63</b>
Agents'/Valuers' fees	182,367.71	0.00	<b>182,367.71</b>
Storage costs	5,120.20	0.00	<b>5,120.20</b>
Insurance of assets	530.88	0.00	<b>530.88</b>
Bank charges	80.00	0.00	<b>80.00</b>
<b>TOTAL</b>	<b>873,222.42</b>	<b>0.00</b>	<b>873,222.42</b>

### **Requests for further information and right to challenge our remuneration and expenses**

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Christian Crawford on 1 Sovereign Square, Sovereign Street, Leeds, LS1 4DA.

## Appendix 4      Joint Administrators' charging and expenses policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of in-house Interpath Advisory VAT and employee specialists. Until 4 May 2021 time charged to the administration in relation to forensic and tax work was charged by specialists from the same organisation as the office holders and their staff. However, on 4 May 2021 KPMG sold its UK Restructuring business to Interpath Ltd. Please see section 5.3 for further information on future payments.

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Administrators' Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/guide-to-administrators-fees/>

If you are unable to access this guide and would like a copy, please contact Christian Crawford on 0161 529 8836.

Set out below are the relevant charge-out rates per hour worked for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration; using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

Partner	655	690
Director	590	620
Senior Manager	535	560
Manager	445	467
Senior Administrator	310	325
Administrator	225	236
Support	140	147

We have recovered both Category 1 and Category 2 expenses from the estate.

For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

*Expenses:* These are any payments which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the office holder, and then reimbursed to the office holder from the estate.

*Category 1 expenses:* These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

*Category 2 expenses:* These are payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

*Associates:* are defined in the insolvency legislation but also extends to parties where a reasonable and informed third party might consider there would be an association between the third party and the office holder or their firm.

Category 2 expenses charged by Interpath Advisory include mileage. This is calculated as follows:

Mileage claims fall into three categories:

Use of privately-owned vehicle or car cash alternative – 45p per mile.

Use of company car – 60p per mile.

Use of partner's car – 60p per mile.

For all of the above car types, when carrying Interpath passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have not incurred any expenses during the Period.

We have the authority to pay Category 1 expenses without the need for any prior approval from the creditors of the Company.

Category 2 expenses have been approved in the same manner as our remuneration.

The key areas of work have been:

Statutory and compliance	preparing statutory receipts and payments accounts; dealing with all closure related formalities; ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	dealing with queries arising during the appointment; reviewing matters affecting the outcome of the administration; complying with internal filing and information recording practices, including documenting strategy decisions.
Cashiering	preparing and processing vouchers for the payment of post-appointment invoices; creating remittances and sending payments to settle post-appointment invoices; reconciling post-appointment bank accounts to internal systems; ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	working on tax returns relating to the periods affected by the administration; analysing VAT related transactions; dealing with post appointment tax compliance.
General	reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; drawing remuneration in accordance with the basis which has been approved by preferential and unsecured creditors; dealing with the ongoing storage of Company books and records.
Asset realisations	collating information from the Company's records regarding the assets; reviewing outstanding debtors and management of debt collection strategy; liaising with Acasta Consulting regarding debtor recoveries; reviewing the inter-company debtor position between the Company and other group companies.
Insurance	arranging ongoing insurance cover for the Company's business and assets; liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place; assessing the level of insurance premiums.
Employees	communicating and corresponding with HM Revenue and Customs; dealing with issues arising from employee redundancies, including statutory notifications and liaising with the Redundancy Payments Office; managing claims from employees.
Creditors and claims	updating the list of unsecured creditors; responding to enquiries from creditors regarding the administration and submission of their claims; reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; drafting our progress report.

**SIP 9 –Time costs analysis (06/06/2021 to 19/11/2021)**

	Hours	Time Cost (£)	Average Hourly Rate (£)
General (Cashiering)	<b>10.95</b>	3,149.15	287.59
Reconciliations (& IPS accounting reviews)	<b>0.40</b>	94.40	236.00
General			
Books and records	<b>10.20</b>	3,556.40	348.67
Fees and WIP	<b>4.70</b>	1,404.40	298.81
Statutory and compliance			
Budgets & Estimated outcome statements	<b>0.30</b>	140.10	467.00
Checklist & reviews	<b>15.45</b>	5,262.95	340.64
Closure and related formalities	<b>6.60</b>	3,333.75	505.11
Strategy documents	<b>2.50</b>	1,167.50	467.00
Tax			
Post appointment corporation tax	<b>1.65</b>	664.05	402.45
Post appointment VAT	<b>10.80</b>	2,918.40	270.22
<b>Creditors</b>			
Creditors and claims			
Agreement of preferential claims	<b>1.10</b>	513.70	467.00
General correspondence	<b>6.95</b>	2,382.95	342.87
Statutory reports	<b>41.20</b>	14,588.65	354.09
Employees			
Correspondence	<b>3.50</b>	1,490.60	425.89
Pension funds	<b>0.30</b>	140.10	467.00
Pensions reviews	<b>0.30</b>	140.10	467.00
<b>Realisation of assets</b>			
Asset Realisation			
Cash and investments	<b>1.15</b>	501.55	436.13
Debtors	<b>10.65</b>	4,158.00	390.42
Insurance	<b>6.85</b>	2,311.45	337.44
Leasehold property	<b>0.10</b>	32.50	325.00
Other assets	<b>0.50</b>	162.50	325.00
<b>Total in period</b>	<b>136.15</b>	<b>48,113.20</b>	<b>353.38</b>

Brought forward time (appointment date to SIP 9 period start date)	3,251.90	1,018,538.83
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	136.15	48,113.20
Carry forward time (appointment date to SIP 9 period end date)	3,388.05	1,066,652.03

## 9 Summary of proposals

As it was not possible to achieve a sale of the business as a going concern, rescuing the Company in accordance with Paragraph 3(1)(a) is not achievable.

Therefore our primary objective is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), in accordance with Paragraph 3(1)(b).

In addition to the specific itemised proposals below, this document in its entirety constitutes our proposals.

We propose the following:

### General matters

- = to continue to do everything that is reasonable, and to use all our powers appropriately, in order to maximise realisations from the assets of the Company in accordance with the objective as set out above;
- = to investigate and, if appropriate, to pursue any claims the Company may have;
- = to seek an extension to the administration period if we consider it necessary.

### Distributions

- = to make distributions to the secured and preferential creditors where funds allow;
- = to make distributions to the unsecured creditors if funds become available, and to apply to the Court for authority to do so, where applicable.

### Ending the administration

We might use any or a combination of the following exit route strategies in order to bring the administration to an end:

- = apply to Court for the administration order to cease to have effect from a specified time and for control of the Company to be returned to the Directors;
- = formulate a proposal for either a company voluntary arrangement (CVA) or a scheme of arrangement and put it to meetings of the Company's creditors, shareholders or the Court for approval as appropriate;
- = place the Company into creditors' voluntary liquidation. In these circumstances we propose that we, James Clark and Howard Smith, be appointed as Joint Liquidators of the Company without any further recourse to creditors. If appointed Joint Liquidators, any action required or authorised under any enactment to be taken by us may be taken by us individually or together. The creditors may nominate different persons as the proposed Joint Liquidators, provided the nomination is received before these proposals are approved;
- = petition the Court for a winding-up order placing the Company into compulsory liquidation and to consider, if deemed appropriate, appointing us, James Clark and Howard Smith, as Joint Liquidators of the Company without further recourse to creditors. Any action required or authorised under any enactment to be taken by us as Joint Liquidators may be taken by us individually or together;

- = file notice of move from administration to dissolution with the Registrar of Companies if we consider that liquidation is not appropriate because (1) no dividend will become available to creditors, and (2) there are no other outstanding matters that require to be dealt with in liquidation. The Company will be dissolved three months after the registering of the notice with the Registrar of Companies.

Alternatively, we may allow the administration to end automatically.

Joint Administrators' remuneration and pre-administration costs

We propose that:

- = our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate provided in Appendix 3 and the charge-out rates included in Appendix 5.;
- = disbursements for services provided by KPMG (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with KPMG's policy as set out in Appendix 5;
- = unpaid pre-administration costs be an expense of the administration.

Discharge from liability

We propose that we shall be discharged from liability in respect of any action of ours as Joint Administrators upon the filing of our final receipts and payments account with the Registrar of Companies.

Acasta Consulting Limited

The Company together with;

Clugston Group Limited – in Administration

Clugston Services Limited – in  
Administration

Clugston Estates Limited – in  
Administration

NatWest Westminster Bank

Constructions industrielles de la  
Méditerranée (a company registered in  
France)

CNIM UK Limited

Clugston Distribution Services Limited

Clugston Estates Limited – in  
Administration

Clugston Group Limited – in Administration

Clugston Construction Limited- in  
Administration

High Court of Justice, Business and Property  
Court in Leeds, Insolvency and Companies  
List (ChD)



Clugston Services Limited – in  
Administration

Company Voluntary Liquidation

Andrew Thomas Allingham

David Westland Antony Clugston

Roderick Malcolm Fry

Ian Pattison

Stephen John Radcliffe

Eversheds Sutherland LLP

Facilities Management Contracts

The Company together with;

Clugston Group Limited (in Administration)

Clugston Services Limited (in  
Administration)

Clugston Distribution Services Limited

Clugston Estates Limited

HCC International Insurance Company Plc

Interpath Ltd

James Clark and Howard Smith

Joint Venture

KPMG LLP

JLT Speciality Limited (trading as Marsh)

6 June 2021 to 19 November 2021

Pension Protection Fund

Sanderson Weatherall LLP

Receivables Realisation Group

Any references in this progress report to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

## Appendix 7      Notice: About this report

This report has been prepared by James Clark and Howard Smith the Joint Administrators of Clugston Construction Limited – in Administration (the ‘Company’) solely to comply with their statutory duty to report to creditors under the Insolvency Rules (England and Wales) 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company or any other company in the Group.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules (England and Wales) 2016 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

James Richard Clark and Howard Smith are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

The Officeholders are Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – [www.interpathadvisory.com/privacy-insolvency](http://www.interpathadvisory.com/privacy-insolvency).

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Interpath Ltd does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

**[www.interpathadvisory.com](http://www.interpathadvisory.com)**

© 2021 Interpath Ltd is a limited company registered in England and Wales (trading as “Interpath Advisory”). All rights reserved.