

In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



A23 *A73CBHBE* #70
07/04/2018
COMPANIES HOUSE

1 Company details

Company number	0 5 1 2 2 3 6 5
Company name in full	Ocon Construction Limited

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Please complete in typescript or in bold black capitals.

2 Liquidator's name

Full forename(s)	Patrick
Surname	Lannagan

3 Liquidator's address

Building name/number	Mazars LLP
Street	
Post town	One St Peters Square
County/Region	Manchester
Postcode	M 2 3 D E
Country	

4 Liquidator's name

Full forename(s)	Conrad Alexander
Surname	Pearson

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

5 Liquidator's address

Building name/number	Mazars LLP
Street	
Post town	One St Peters Square
County/Region	Manchester
Postcode	M 2 3 D E
Country	

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

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 0	^d 3	^m 0	^m 2	^y 2	^y 0	^y 1	^y 7
To date	^d 0	^d 2	^m 0	^m 2	^y 2	^y 0	^y 1	^y 8

7 Progress report

The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 2	^d 8	^m 0	^m 3	^y 2	^y 0	^y 1	^y 8
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Ocon Construction Limited - In Liquidation

Joint Liquidators' progress report covering the period from 3 February 2017
to 2 February 2018

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Ocon Construction Limited - In Liquidation

Progress Report to Creditors & Members

1. Introduction

- 1.1. This report is prepared pursuant to Rules 18.3 and 18.7 of the Insolvency (England and Wales) Rules 2016, the purpose of which is to provide creditors with details of the progress of the Liquidation during the 12 months to 2 February 2018 ('the current reporting period').
- 1.2. Tim Askham and Robert Adamson were appointed Joint Liquidators of the Company following its conversion from an Administration pursuant to paragraph 83 of Schedule B1 of The Insolvency Act 1986 on 3 February 2014. Mr Askham retired from the partnership of Mazars LLP with effect from 31 August 2016 and I was appointed Liquidator in his place by order of the High Court dated 12 September 2016. I am authorised to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales and Mr Adamson is authorised in the UK by the Insolvency Practitioners Association.
- 1.3. Identification details relating to the Company and the Liquidators are attached at Appendix A.

2. Liquidators' Receipts and Payments

- 2.1. A summary of receipts and payments covering the period from 3 February 2017 to 2 February 2018 is attached at Appendix B. The receipts and payments account also covers the cumulative period from the date of appointment to 2 February 2018. A comparison of the figures provided in the Directors' Statement of Affairs as at the date of Administration to actual realisations made to date is included to assist creditors in assessing progress to date, although creditors should note that many of the realisations were made in the preceding Administration.
- 2.2. The receipts and payments account confirms that there is currently a balance in hand of £391,559.34 and VAT receivable of £1,435.60.
- 2.3. An explanation of the assets realised and the expenses paid is provided below.

3. Asset Realisations and Details of Progress

3.1. Retentions

- 3.1.1. The previous progress report drew creditors attention to the further defects identified in respect of the remaining contract retention with Liverpool University. A defects report was made available in May 2017 which confirmed that there was nil realisable. Driver Trett (formerly Driver Corporate Services, 'Driver') engaged with Liverpool University to seek to agree a nil for nil final position. Liverpool University have agreed this in principle and a formal agreement is in the process of being finalised.

3.1.2. There are no other outstanding retentions due on non-Opal contracts that are considered to have a realisable value.

3.2. Debt Owed by Parent Company

3.2.1. The Company has a claim against Opal Property Group Limited ('OPG') in the sum of £8,475,085 which had been lodged in OPG's Liquidation. The previous progress report advised creditors that a dividend was anticipated in the region of 0.3 and 0.4 pence in the £ and that the timing of this was dependent upon the agreement of an inter-company dividend model by all Insolvency Practitioners representing the SPV companies within the Opal Group.

3.2.2. This financial model was required in order to calculate the flow of funds between the companies within the Group (all of which are in a formal insolvency process) where there are both debtor and creditor balances between companies which impact on the rate of dividend payable from each of the insolvencies.

3.2.3. In June 2017, the Liquidators were invited to join the Company as a party to the inter-company dividend agreement even though no debtor balance was owed by the Company to any of the other Opal Group companies. The Liquidators consented to this invitation as doing so ensured the interests of the Company were considered alongside the interests of the other Group companies and the dividend agreement was finalised in September 2017.

3.2.4. On 29 September 2017, a dividend was received from the Liquidation of OPG in the sum of £36,818.98, representing 0.43 pence in the £ on the Company's claim. As this was a first and final dividend, there will be no further realisations from this source.

3.3. Retentions due from subsidiaries of OPG

3.3.1. Two retentions were recognised as due from subsidiaries of OPG but as these companies had entered formal insolvency processes, the realisable value of these retentions was uncertain until the inter-company dividend model was finalised.

3.3.2. The claimed retention amounts and the dividend return received under the inter-company dividend agreement explained at paragraph 3.2.2 is as follows:

Company name	Amount of retention	Amount of dividend	Rate of dividend
Opal Commercial Investments Ltd	£313,773	£1,849.51	0.59 pence in £
South Yorkshire One Ltd	£ 35,000	£ 15.04	0.04 pence in £

3.3.3. As these are first and final dividend payments, there will be no further realisations from this source.

4. Assets still to be realised

4.1. There are no further assets to be realised. Work remaining prior to finalising this Liquidation involves agreeing the position with Liverpool University; finalising the tax position of the Company in Liquidation, finalising the adjudication of creditor claims and issuing the second and final distribution on agreed claims.

5. Estimated Outcome Statement

- 5.1. An estimate of the outcome of the Liquidation is attached at Appendix C.
- 5.2. Based on the realisations made to date and the expected payments to be issued prior to closing the Liquidation, it is expected that there will be sufficient funds to enable a return to unsecured creditors in addition to the first interim dividend of 5 pence in the £, already distributed.
- 5.3. Taking into account the claims received to date, and a reasonable estimate of the claims which may still be received, it is estimated that the total return to creditor may be in the region of 9.48 pence in the £, that is, a further dividend of 4.48 pence in the £.

This estimated final outcome may be subject to change as there are potentially additional as yet unquantified creditor claims.

- 5.4. Further details of the expected outcome for each class of creditor are provided below.

6. Liabilities

6.1. Secured Creditors

- 6.1.1. There are no secured creditors in this matter.

6.2. Preferential Creditors

- 6.2.1. Preferential claims arise from arrears of wages and accrued, unpaid holiday pay due to the former employees of the Company who did not receive their full entitlements on redundancy, prior to the Liquidation.
- 6.2.2. The Company employed 47 employees who were made redundant when the Company went in to Administration. All preferential claims were paid in full during the Administration.

6.3. Unsecured Creditors

- 6.3.1. The Statement of Affairs, approved by the Directors in the preceding Administration,, estimated creditors totalling £5,846,58 (a summary of this is reproduced in the left hand column of the Receipts and Payments account at Appendix B). Claims received to date total £7,786,506.52 and the adjudication status of these claims is as follows:

Claim status	Number of claims	Value of Claims (£)
Agreed claims	267	£5,755,790.48
Held claims	2	£1,222,452.85
Rejected claims	<u>23</u>	<u>£ 808,263.19</u>
Total	292	£7,786,506.52

- 6.3.2. There are a further 259 creditors with potential claims totalling £1,035,034 according to the Statement of Affairs, who have not yet submitted a claim in the Liquidation.

- 6.3.3. Claims are higher than anticipated at the outset of Administration largely because of the claims received from clients of incomplete contracts and defect costs which exceed contractual retentions.
- 6.3.4. Creditors will note from the Estimated Outcome Statement included at Appendix C, assuming that the future costs of Liquidation are as anticipated, there will be sufficient funds to enable a second and final distribution to creditors, currently estimated at 4.48 pence in the £.
- 6.3.5. As noted above in section 5, this estimated outcome may be subject to change if the eventual creditor pool increases over the current expectation, once the final creditor claims are received.

7. Prescribed Part

- 7.1. In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being 50% of the first £10,000 of net property and 20% of net property thereafter subject to a maximum fund of £600,000. Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims.
- 7.2. As there is no floating charge, the Prescribed Part is not applicable to this Liquidation.

8. Investigations

- 8.1. In accordance with the Company Directors Disqualification Act 1986, the Joint Liquidators are required to investigate the affairs of the Company and the conduct of the Directors during the three years prior to the Liquidation. The Joint Liquidators can confirm that this obligation has been complied with and a confidential report was submitted to the Insolvency Service on 17 March 2014.
- 8.2. An initial investigation into the Company's affairs has also been undertaken by the Liquidators in accordance with Statement of Insolvency Practice 2. The purpose of these investigations is to establish whether there are any potential asset recoveries or conduct which requires further investigation.
- 8.3. Following this initial review, no further assets or actions were identified which would lead to a recovery for creditors. Therefore no additional time in respect of investigations has been incurred in this period.
- 8.4. Should creditors have any information which they consider may assist the Liquidators in carrying out their investigations, or be aware of any matters which they believe should be brought to the attention of the Liquidators, please provide details in writing to this office. This request for information forms a part of our usual investigation procedures and does not imply

that there may be any cause of action lying against any person concerned in the Company's affairs.

9. Liquidators' Remuneration

- 9.1. In accordance with Rule 18.18 IR 2016 (formerly Rule 2.106), the Joint Administrators' remuneration was agreed at a meeting of creditors held on 2 May 2013 when creditors approved that their remuneration could be drawn on a time cost basis.
- 9.2. Following the Company's move into Liquidation, in accordance with Rule 18.20 IR 2016 (formerly Rule 4.127), the remuneration basis agreed by creditors during the Administration carries forward into the Liquidation. As such, the Joint Liquidators' remuneration is also fixed on a time cost basis.
- 9.3. Attached at Appendix E1 is a summary of the Joint Liquidators' time costs for the period 3 February 2017 to 2 February 2018. These costs total £8,536.40, which represents 66.4 hours at an average hourly rate of £128.56. Further details of the work carried out during this period are provided at Appendix E2 in the narrative summary.
- 9.4. Total time costs incurred in the Liquidation to date amount to £174,499.80. This represents 1,307.40 hours at an average hourly rate of £133.47. Attached at Appendix E3 are details of the Liquidators' cumulative time costs since appointment.
- 9.5. As at 2 February 2018, an amount of £173,750 has been drawn against the Liquidators' time costs in respect of the Liquidation.
- 9.6. Details of the future work anticipated to be carried out by the Joint Liquidators includes:
 - Concluding the final position as regards defects liabilities;
 - Issuing a Notice of Intended Dividend and finalising adjudications on claims received;
 - Reporting and statutory compliance functions; and
 - Tax and VAT compliance, including preparing tax computations and returns and seeking tax clearance prior to closure.
- 9.7. The attached Estimated Outcome Statement suggests that the Liquidators' future remuneration could total £6,000 plus VAT but this is subject to change, depending on the future time required in dealing with the above matters.
- 9.8. Routine administration of the Liquidation has been dealt with by junior staff wherever possible in order to maximise the cost effectiveness of the work performed. These staff have been supervised by senior staff and the Joint Liquidators. Any matter of particular complexity or significance that has required responsibility of an exceptional kind has also been dealt with by senior staff and Joint Liquidators.
- 9.9. Charge out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of the case. The rates are appropriate to the skills and experience of the team member and the work that they perform. All staff that work on the case, including cashiers, support and any secretarial staff

charge their time directly to the assignment. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

- 9.10. The charge out rates of the team members employed on the assignment during the period covered by this report are set out in the Rates and Disbursements Policy at Appendix E4.

10. Liquidators' Disbursements

- 10.1. Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds. There are two categories of disbursements, including Category 1 (payments to independent third parties) and Category 2 (costs incurred by the Joint Liquidators or the firm that can be allocated to the case on a proper and reasonable basis).
- 10.2. Category 2 disbursements require approval in the same manner as the office holders' remuneration. Creditors will recall that a resolution was passed at a meeting of creditors held on 2 May 2013 in the preceding Administration in agreement of the anticipated Category 2 disbursements. Following the Company's move into Liquidation, the approval of category 2 disbursements by creditors during the Administration carries forward into the Liquidation. Further details of the rates agreed are provided within the Rates and Disbursements policy at Appendix E4.
- 10.3. No further disbursements have been incurred in the current period. Details of disbursements paid during the period are provided within the attached receipts and payments account. The amount of disbursements paid in the period may be more than the amount incurred due to balances carried over from previous periods.

11. Expenses

- 11.1. Details of all expenses incurred during the period of the report are provided in the Expense Statement attached at Appendix D, together with an explanation as to why the expenses have been incurred.
- 11.2. Details of expenses paid during the current period are shown in the receipts and payments account at Appendix B. The amount of expenses paid during the period may be more than the amount incurred due to balances carried over from previous periods.
- 11.3. As the Liquidation is in the final stages, no further significant expenses are anticipated.
- 11.4. The Liquidators have reviewed the expenses incurred to date and are satisfied that they are reasonable in the circumstances of the case.

12. Matters outstanding

- 12.1. The remaining tasks to be concluded are listed at paragraph 9.6. It is estimated that these tasks should be capable of completion within six months.

13. Creditors' Rights

13.1. Further information

13.1.1. We would advise you that pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the court, may, within 21 days of receipt of this progress report, ask the Liquidators for further information about the remuneration and expenses set out in this progress report.

13.2. Apply to Court

13.2.1. Additionally, pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the court may, within 8 weeks of the receipt of this progress report, apply to the court on one or more of the following grounds:

- a. That the remuneration charged by the Liquidators , or
- b. That the basis fixed for the **Error! Bookmark not defined.** remuneration, or
- c. That the expenses incurred by the Liquidators ,

is in all of the circumstances, excessive or inappropriate.

13.3. Further guidance

In accordance with Statement of Insolvency Practice 9, creditors can find additional information on their rights relating to Liquidators' fees in a copy of the publication "A creditors guide to Liquidators' fees" which is available to download from the website <https://www.r3.org.uk/media/documents/publications/professional/Liquidations%20Creditor%20Fee%20Guide%20April%202017.pdf> or alternatively will be provided free of charge upon written request to this office.

13.3.1. For further general information regarding a creditor's role throughout an insolvency process, creditors are reminded that they can also visit www.creditorinsolvencyguide.co.uk.


P A Lannagan
Joint Liquidator

Dated 28 March 2018

Authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales and bound by the Insolvency Code of Ethics

Ocon Construction Limited - In Liquidation
Identification Details

Details relating to the Company

Company name	Ocon Construction Limited
Previous names	N/A
Trading name	N/A
Company number	05122365
Registered office (currently)	c/o Mazars LLP, One St Peter's Square, Manchester, M2 3DE
Registered office (formerly)	The Place, Ducie Street, Manchester M1 2TP
Trading address	The Place, Ducie Street, Manchester, M1 2TP

Details relating to the Liquidators

Date of appointment	3 February 2014
Liquidators	Patrick Alexander Lannagan and Robert David Adamson IP No(s) 009590 and 009380
Liquidators' address	Mazars LLP One St Peters Square, Manchester, M2 3DE
Liquidators' contact telephone number	+44(0) 161 238 9200
Previous Liquidator	Tim Alan Askham IP No 007905

**Ocon Construction Limited - in Liquidation
Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £	From 03/02/2017 To 02/02/2018 £	From 03/02/2014 To 02/02/2018 £
ASSET REALISATIONS		
19,500.00	Tangible Fixed Assets	NIL
655,000.00	Retentions Receivable	1,864.55
250,000.00	Trade Debtors	NIL
Uncertain	Loan to Opal Property Group Limited	36,818.98
29,860.00	VAT Bad Debt Relief Claim	NIL
15,517.00	Insurance Refund	NIL
660,205.00	Cash at Bank	NIL
Uncertain	Rent Deposits	NIL
	Funds from Administration	NIL
	Sundry Refunds	NIL
	Bank Interest Gross	497.35
	Utility/Infrastructure Recoveries	(97.21)
		39,083.67
		1,009,778.54
COST OF REALISATIONS		
	Unpaid Administrators' Fees	NIL
	Liquidator's Fees	14,250.00
	Liquidator's Disbursements	1,167.38
	Outstanding Administration Expenses	NIL
	Court Filing Fee	NIL
	Pension Investigation Fees	NIL
	Agents/Valuers Fees	750.00
	Agents' Fees (Utilities Recoveries)	NIL
	Legal Fees	3,564.50
	Corporation Tax	NIL
	Insurance Broker's Fee	NIL
	Storage Costs	NIL
	Statutory Advertising	NIL
	DTI Unclaimed Dividends	NIL
		(19,731.88)
		(328,758.82)
PREFERENTIAL CREDITORS		
(29,782.00)	Employees Wage Arrears	NIL
(54,035.00)	Employees Holiday Pay	NIL
		NIL
		NIL
UNSECURED CREDITORS		
(650,902.00)	Trade & Expense Creditors	NIL
(8,911.00)	Employees	NIL
(200,097.00)	Redundancy Payment Service	NIL
(30,555.00)	Landlord	NIL
(44,720.00)	HMRC re VAT	NIL
(202,586.00)	HMRC re PAYE & NI	NIL
(892,102.00)	Subcontract Ledger	NIL
(1,616,393.00)	Subcontract Accruals	NIL
(2,200,492.00)	Subcontract Retentions	NIL
		NIL
		(288,024.78)
(4,300,493.00)		19,351.79
		392,994.94
REPRESENTED BY		
	VAT Receivable	1,435.60
	Floating Charge Current Account	391,559.34
		392,994.94

**Ocon Construction Limited (in Liquidation)
Estimated Outcome Statement as at 2 February 2018**

	Position as at 02/02/2018 (£)	Future Realisations / Costs (£)	Estimated Final Position
ASSET REALISATIONS			
Retentions Receivable	59,967.97	0.00	59,967.97
Trade Debtors	70,000.00	0.00	70,000.00
Funds from Administration	814,977.62	0.00	814,977.62
Sundry Refunds	0.20	0.00	0.20
Bank Interest Gross	5,127.98	0.00	5,127.98
Utility/Infrastructure Recoveries	22,885.79	0.00	22,885.79
Loan to Opal Property Group	36,818.98	0.00	36,818.98
	<u>1,009,778.54</u>	<u>0.00</u>	<u>1,009,778.54</u>
COST OF REALISATIONS			
Balance of Administrators' Fees	9,333.50	0.00	9,333.50
Liquidators' Fees	173,750.00	6,000.00	179,750.00
Liquidators' Disbursements	3,534.63	0.00	3,534.63
Balance of Administration Expenses	2,650.69	0.00	2,650.69
Court Filing Fee	35.00	0.00	35.00
Pension Investigation Fees	300.00	0.00	300.00
Agents/Valuers Fees	89,256.71	1,250.00	90,506.71
Agents' Fees (Utilities Recoveries)	8,044.05	0.00	8,044.05
Legal Fees	25,962.50	2,500.00	28,462.50
Corporation Tax	605.20	0.00	605.20
Insurance Broker's Fee	10,000.00	0.00	10,000.00
Storage Costs	5,091.59	2,500.00	7,591.59
Statutory Advertising	169.20	0.00	169.20
DTI Unclaimed Dividends	25.75	25.75	51.50
	<u>(309,026.94)</u>	<u>(12,275.75)</u>	<u>(341,034.57)</u>
Surplus available to Preferential Creditors			<u>668,743.97</u>
PREFERENTIAL CREDITORS			0.00
Surplus available to Unsecured Creditors			<u>668,743.97</u>
UNSECURED CREDITORS			
Agreed Claims		5,755,790	
Provision for further Claims		<u>1,300,000</u>	<u>(7,055,790)</u>
Estimated Deficit to Unsecured Creditors			<u>(6,387,046.51)</u>
Estimated Return to Unsecured Creditors (p in the £)			9.48

EXPENSES STATEMENT

Type of Expenditure	Who expense incurred by and nature of expense	Amount incurred in current period (£)
<p>Professional advisors' costs</p> <p>The Liquidators' choice of the professional advisors listed below was based on their perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.</p>		
<p>Legal fees and disbursements</p>	<p>Turner Parkinson LLP were instructed to provide legal advice in respect of issues arising with the collection of debts and retention amounts. They were chosen based on their experience in insolvency matters. Their fees have been agreed on a time cost basis.</p>	<p>2,178.00</p>
<p>Agent's fees and disbursements</p>	<p>Driver Trett (formerly Driver Corporate Services) were instructed to provide advice on construction contract claims and to assist with the recovery of invoiced debts and retentions due under contracts.</p> <p>They were chosen because of their experience in providing such services in a construction insolvency scenario. Their fees have been agreed on a time cost basis.</p>	<p>1,250.00</p>
<p>Other Expenses</p>		
<p>Liquidators' Remuneration</p>	<p>To project manage the orderly winding up of the Company's affairs, and to perform those tasks required as dictated by statute, best practice and ethical requirements and to be drawn on a time cost basis.</p>	<p>8,536.40</p>
<p>Total Expenses</p>		<p>11,964.40</p>

Liquidators' time costs for the period 03/02/2017 to 02/02/2018

Classification of Work	Hours					Total Hours	Time Cost £	Av hourly Rate £
	Partner	Director	Manager	Administrator	Support			
Admin & Planning								
Strategy planning	2.00		2.30			4.30	956.00	222.33
Tot: 2 Admin & Planning	2.00		2.30			4.30	956.00	222.33
Taxation								
VAT			0.5	0.2		0.70	96.00	137.14
Corporation tax			1.40	3.50		4.90	470.60	96.04
Tot: Taxation			1.90	3.70		5.60	566.60	101.18
Investigations								
Investigations		0.30				0.30	68.10	227.00
Tot: Investigations		0.30				0.30	68.10	227.00
Realisation of Assets								
Debt collection			0.80			0.80	112.00	140.00
Dealing with other assets			7.40			7.40	1,036.00	140.00
Tot: Realisation of Assets			8.20			8.20	1,148.00	140.00
Creditors								
Unsecured creditors			6.10	0.20	3.80	10.10	1,031.40	102.12
Tot: Creditors			6.10	0.20	3.80	10.10	1,031.40	102.12
Reporting								
Statutory reporting		0.90	10.50		0.50	11.90	1,694.30	142.38
Reporting to creditors					5.20	5.20	208.00	40.00
Tot: Reporting		0.90	10.50		5.70	17.10	1,902.30	111.25
Cashiering								
Cheque banking & posting				0.4		0.40	52.00	130.00
Cheque issueing and posting				1.50	0.20	1.70	219.80	129.29
Bank Reconciliations				1.70	0.30	2.00	256.10	128.05
Bank Account Management				0.50	0.10	0.60	71.70	119.50
Sundry Cashiering		0.30	1.80	0.40	0.40	2.90	390.30	134.59
Tot: Cashiering		0.30	1.80	4.50	1.00	7.60	989.90	130.25
Statutory & Compliance								
Case review		0.30	12.90			13.20	1,874.10	141.98
Tot: Statutory & Compliance		0.30	12.90			13.20	1,874.10	141.98
Total Hours	2.00	1.80	43.70	8.40	10.50	66.40		
Total Time Costs (£)	634.00	408.60	6,118.00	886.20	489.60		8,536.40	
Av Hourly Rate	317.00	227.00	140.00	105.50	46.63			128.56

**NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE JOINT LIQUIDATORS'
FOR THE PERIOD 3 FEBRUARY 2017 TO 2 FEBRUARY 2018**

<p>Introduction</p> <p>The summary provides a proportionate overview of the work carried out in light of the specific circumstances of the case and includes details of the work that has been done during the period, why it was done and whether the work provides a financial benefit to creditors.</p> <p>This summary should be read together with the Joint Administrators' Time Costs Analysis at Appendix E1. The costs incurred in relation to each category are set out in the attached Time Cost Analysis.</p>
<p>Work carried out in the current period</p>
<p><u>Administration and planning</u></p> <p>The Liquidators have undertaken the following work:</p> <ul style="list-style-type: none"> • Ongoing strategy meetings. • Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system. <p>The majority of this work derived no financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes aid to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.</p>
<p><u>Taxation</u></p> <p>The following activities were undertaken in order to ensure the Company is compliant with tax requirements:</p> <ul style="list-style-type: none"> • Preparing post-Liquidation VAT claims, to recover VAT incurred on Liquidation costs. • Preparing post-Liquidation Corporation Tax, as required by statute and submitted a request for clearance to close the Liquidation once all taxable assets had been realised. <p>The majority of this work derived no financial benefit for creditors, however, it is required in accordance with tax legislation.</p>
<p><u>Investigations</u></p> <p>No specific work has been undertaken in the current period; however, some investigation was required to respond to a query.</p> <p>The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure compliance with statutory duties.</p>
<p><u>Realisation of Assets</u></p> <p>The work undertaken in respect of the realisation of the Company's assets is detailed in Section 3 of the report and in summary has involved:</p> <ul style="list-style-type: none"> • Corresponding with various parties in connection with the residual retentions • Reviewing progress updates in respect of the Opal Group insolvencies and potential recoveries therefrom; and • Liaising with Grant Thornton in respect of the dividend distribution agreement. <p>The work undertaken has added value for the benefit of creditors by enabling the realisation of funds in the estate. The costs associated with the recovery are considered appropriate in the circumstances.</p>
<p><u>Creditors</u></p> <p>Work done during the period in respect of unsecured creditors and their claims has included:</p> <ul style="list-style-type: none"> • Responding to any creditor queries which arise. • Logging creditor claims received. • Liaising with various parties in respect of defects claims. <p>The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors. However, as a further dividend will be paid to unsecured creditors, work undertaken in dealing with creditor claims does have a financial benefit in enabling the correct adjudication of claims.</p>
<p><u>Reporting</u></p>

**NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE JOINT LIQUIDATORS'
FOR THE PERIOD 3 FEBRUARY 2017 TO 2 FEBRUARY 2018**

Reporting requirements during the period as prescribed by statute have included the following:

- Preparation and issue of annual progress reports.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements.

Cashiering

Cashiering work undertaken in the current period includes:

- Bank account maintenance, including periodic reconciliations.
- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the estate bank account is operated in accordance with guidance issued by our regulatory bodies.

Statutory and Compliance

The work undertaken in the current period as required by statute and our internal procedures:

- Case monitoring and statutory compliance, including internal case reviews.

The majority of this work derived no financial benefit for creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.

Liquidators' cumulative time costs for the period of Liquidation to 02/02/2018

Classification of Work	Hours					Total Hours	Time Cost £	Av hourly Rate £
	Partner	Director	Manager	Administrator	Support			
Admin & Planning								
Strategy planning	3.40	1.50	2.30	10.00	0.50	17.70	2,527.10	142.77
Filing	0.20	0.00	0.00	65.40	2.80	68.40	4,553.60	66.57
Tot: Admin & Planning	3.60	1.50	2.30	75.40	3.30	86.10	7,080.70	82.24
Taxation								
VAT	1.40	1.50	3.30	16.70	0.10	23.00	3,056.20	132.88
Corporation tax	6.70	1.70	17.40	57.60	0.00	83.40	10,390.50	124.59
Tot: Taxation	8.10	3.20	20.70	74.30	0.10	106.40	13,446.70	126.38
Investigations								
Investigations		0.30		0.50		0.80	131.60	164.50
Directors/Conduct reports	0.20			0.50		0.70	126.90	181.29
Tot: Investigations	0.20			1.00		1.50	258.50	172.33
Realisation of Assets								
Evaluation/reconciliation	3.50					3.50	1,109.50	317.00
Property related matters				0.60	0.10	0.70	79.70	113.86
Debt collection	2.80	0.60	1.30	4.50	0.30	9.50	1,789.30	188.35
Dealing with other assets	4.10	0.70	8.90	7.40		21.10	3,644.40	172.72
Insurance matters	66.50	0.80		58.10	5.10	130.50	28,844.80	221.03
Tot: Realisation of Assets	76.90	2.10	10.20	70.60	5.50	165.30	35,467.70	214.57
Trading								
Trading matters	3.50					3.50	1,109.50	317.00
Tot: Trading	3.50					3.50	1,109.50	317.00
Employees								
ERA matters	0.20	0.80		6.40		7.40	700.00	94.59
Pension issues	0.10			4.10		4.20	403.60	96.10
Tot: Employees	0.30	0.80		10.50		11.60	1,103.60	95.14
Creditors								
Secured creditors					0.60	0.60	24.00	40.00
Preferential creditors	1.00			4.60		5.60	765.80	136.75
Unsecured creditors	79.20	8.40	10.60	523.90	11.10	633.20	77,433.50	122.29
Tot: Creditors	80.20	8.40	10.60	528.50	11.70	639.40	78,223.30	122.34
Reporting								
Statutory reporting	6.70	1.40	10.50	16.60	4.70	39.90	6,091.90	299.44
Reporting to creditors				0.90	10.30	11.20	470.50	83.75
Closure reporting		0.50				0.50	113.50	227.00
SIP9 report				2.00		2.00	204.40	102.20
Director/debtor reporting				0.10		0.10	12.70	127.00
Tot: Reporting	6.70	1.90	10.50	19.60	15.00	53.70	6,893.00	839.39
Distributions								
Distributions	10.80	0.50	0.00	42.10	4.90	58.30	8,719.10	149.56
Tot: Distributions	10.80	0.50	0.00	42.10	4.90	58.30	8,719.10	149.56
Cashiering								
Cheque banking & posting				3.90	1.30	5.20	452.20	86.96
Cheque issuing and posting	0.10			13.10	11.60	24.80	2,469.40	99.57
Bank Reconciliations				6.70	5.00	11.70	1,275.60	109.03
Bank Account Management				9.00	4.50	13.50	1,169.40	86.62
Sundry Cashiering		7.50	2.60	18.30	5.80	34.20	4,632.00	135.44
Tot: Cashiering	0.10	7.50	2.60	51.00	28.20	89.40	9,998.60	111.84
Statutory & Compliance								
Case review	5.80	7.80	12.90	38.60	0.20	65.30	9,897.60	151.57
Statutory documentation	0.20	0.10		19.50	6.40	26.20	2,228.70	85.06
Bonding			0.10	0.60		0.70	72.80	104.00
Tot: Statutory & Compliance	6.00	7.90	13.00	58.70	6.60	92.20	12,199.10	132.31
Total Hours	196.40	34.10	69.90	931.70	75.30	1,307.40		
Total Time Costs (£)	62,221.80	7,760.60	10,049.00	89,780.80	4,687.60		174,499.80	
Av Hourly Rate	316.81	227.58	143.76	96.36	62.25			133.47

Ocon Construction Limited - In Liquidation**Rates and Disbursements Policy****Charge-out rates**

Details of the current charge-out rates of the personnel working on this case are set out below:

	Partner	Director	Manager	Administrator	Cashier	Support Staff
Range (£)	317 – 520	227 – 275	140 – 360	59 – 127	100 – 130	40

Charge-out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of a case. The rates are appropriate to the skills and experience of the team member and the work that they perform. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

Specialist departments within our Firm, (such as Tax and VAT) may charge a number of hours if and when their expert advice is required. The rate ranges above incorporate these different rates.

Disbursements

Some of the expenses incurred on this matter are likely to be paid by this firm in the first instance and subsequently re-charged to the estate. Such disbursements fall into 2 categories as follows:

Category 1 disbursements: These are payments to independent third parties where there is specific expenditure directly referable to the case and as such can be drawn without prior approval.

Category 2 disbursements: These are costs that are directly referable to the case but not to a payment to an independent third party. They may include shared or allocated costs that may be incurred by the liquidators of their firm, and that can be allocated to the case on a proper and reasonable basis. Such disbursements require approval in the same manner as remuneration.

It was agreed that the following Category 2 disbursements incurred in administering the case be charged:

- Mileage will be charged at relevant Inland Revenue rates, currently 45p per mile.

All other disbursements are to be reimbursed at cost.

The Liquidators reserve the right to increase the charges applicable to mileage and photocopying during the course of the Liquidation in line with inflation or increases from our suppliers. Any material amendments will be advised to creditors in the next statutory report.

LIQ03

Notice of progress report in voluntary winding up

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 **Justine Pert**

Company name **Mazars LLP**

Address **Mazars LLP**

Post town **One St Peters Square**

County/Region **Manchester**

Postcode **M 2 3 D E**

Country

DX

Telephone **T: +44(0) 161 238 9200**

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- The company name and number match the information held on the public Register.
- You have attached the required documents.
- You have signed the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse