

Liquidator's Progress Report

Pursuant to Sections 92A, 104A and 192 of the Insolvency Act 1986

S.192

To the Registrar of Companies

Company Number

06445319

Name of Company

(a) Insert full name of company

(a) RIDGEGATE CONSTRUCTION LIMITED

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

~~I~~ We (b) J M Titley and M Maloney

of Leonard Curtis, Hollins Mount, Hollins Lane, Bury, Lancashire BL9 8DG

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 9 March 2012 to 8 March 2013

Signed

Date 3 May 2013

Leonard Curtis,
Hollins Mount,
Hollins Lane,
Bury,
Lancashire
BL9 8DG
Ref K/19/TB/NR655Q/115

WEDNESDAY



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08/05/2013

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COMPANIES HOUSE



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**Ridgegate Construction Limited
(In Creditors' Voluntary Liquidation)**

Company Registration Number: 06445319

Former Registered Office and Trading Address:

Unit 8, The Crown Centre, Bond Street, Macclesfield, Cheshire SK11 6QT

Joint Liquidators' First Progress Report
prepared pursuant to Section 104A of the Insolvency Act 1986
(as amended) and Rule 4.49C of the Insolvency Rules 1986 (as amended)

3 May 2013

Leonard Curtis

Hollins Mount, Hollins Lane, Bury BL9 8DG
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Ref 655Q/1050

CONTENTS

- 1 Introduction
- 2 Conduct of the Liquidation
- 3 Receipts and Payments Account
- 4 Outcome for Creditors
- 5 Investigations
- 6 Joint Liquidators' Remuneration, Expenses and Disbursements and Creditors' Rights

APPENDICES

- A Summary of Joint Liquidators' Receipts and Payments from 9 March 2012 to 8 March 2013
- B Summary of Joint Liquidators' Time Costs from 9 March 2012 to 8 March 2013
- C Leonard Curtis Charge Out Rates and Policy Regarding Staff Allocation, Support Staff, the use of Subcontractors and the Recharge of Disbursements
- D Proof of Debt Form

TO ALL MEMBERS, CREDITORS, DIRECTORS AND THE REGISTRAR OF COMPANIES

1 INTRODUCTION

- 1.1 J M Tittley and M Maloney were appointed joint liquidators of Ridgegate Construction Limited ("the Company") at meetings of members and creditors held on 9 March 2012
- 1.2 *Mr Tittley and Mr Maloney are licensed in the UK by the Institute of Chartered Accountants in England and Wales*
- 1.3 There has been no change in office-holder since the date of liquidation
- 1.4 This report provides an update on the conduct of the liquidation for the period from 9 March 2012 to 8 March 2013, as required by Section 104A of the Insolvency Act 1986 (as amended) ("the Act") It contains details of the progress made, the expected outcome for creditors and other information that the joint liquidators are required to disclose
- 1.5 All figures are stated net of VAT

2 CONDUCT OF THE LIQUIDATION

- 2.1 The Company's registered office was changed to Hollins Mount, Hollins Lane, Bury, Lancashire BL9 8DG on 1 March 2012
- 2.2 The liquidation focussed on realising the assets of value identified within the statement of affairs, namely the book debt ledger, plant, machinery, fixtures and fittings

Assets Realised

Book Debts

- 2.3 The Company's book debts were subject to a valuation by independent agents Cerberus Receivables Management Limited ("Cerberus")
- 2.4 Although the book debts had an estimated to realise value of £4,879 in the statement of affairs, an offer of £7,800 was made for the assignment of the debtor ledger by the director This offer was duly accepted on 16 August 2012 on the advice of the agents No solicitors were used in the transaction The full consideration of £7,800 was received on 25 September 2012

Assets Still to be Realised

- 2.5 The following assets are still to be realised

Description	£
Plant, Machinery, Fixtures and Fittings	1,000
	<hr/>
	1,000

- 2.6 The Company's tangible assets, specifically plant, machinery, fixtures and fittings, were subject to a valuation by independent agents Charles Taylor

- 2.7 The tangible assets had an estimated to realise value of £1,000 in the statement of affairs and an offer of £1,000 was made for the assets by the director. This offer was duly accepted on 16 August 2012 on the advice of the agents. No solicitors were used in the transaction. To date, no consideration has been received in this regard. The joint liquidators continue to chase the outstanding consideration.

3 RECEIPTS AND PAYMENTS ACCOUNT

- 3.1 A summary of the joint liquidators' receipts and payments in the liquidation from 9 March 2012 to 8 March 2013 is attached at Appendix A.

4 OUTCOME FOR CREDITORS

Secured Creditors

- 4.1 There are no secured creditors in this matter.

Preferential Creditors

- 4.2 As at the date of liquidation, there were seven preferential creditors, with estimated claims totalling £7,000.
- 4.3 No claims have been received to date. There are insufficient funds available to pay a dividend to this class of creditor.

Ordinary Unsecured Creditors

- 4.4 As at the date of liquidation, there were 26 unsecured creditors, with estimated claims totalling £626,586. Claims totalling £146,355 have been received during the course of the liquidation.
- 4.5 The funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation. As a result, there will be no dividend to the ordinary unsecured creditors.
- 4.6 The joint liquidators have collated and acknowledged (where requested) the claims of the ordinary unsecured creditors, although, in view of the fact that there will be no distribution to this class of creditor, unsecured claims have not been formally agreed.
- 4.7 No monies were paid to ordinary unsecured creditors by virtue of the application of Section 176(A) of the Act ("the prescribed part").

5 INVESTIGATIONS

- 5.1 Since the commencement of the liquidation, the joint liquidators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.
- 5.2 That assessment did not identify any possible further realisations. In addition, the joint liquidators concluded that no further investigations were required. If, however, any creditor is aware of any particular matters which they consider requires investigation, they should send full details to this office.

5 3 Notwithstanding the above, the joint liquidators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority

6 JOINT LIQUIDATORS' REMUNERATION, EXPENSES AND DISBURSEMENTS AND CREDITORS' RIGHTS

Remuneration

6 1 A fee of £7,500 in respect of the preparation of the statement of affairs was approved by creditors at the meeting of creditors held on 9 March 2012. The sum of £6,000 has been drawn in this respect

6 2 At the same meeting, it was resolved that the joint liquidators' remuneration be payable by reference to time properly given by them and their staff in attending to matters arising in the liquidation. The joint liquidators' time costs from 9 March 2012 to 8 March 2013 are £12,206, which represents 53.8 hours at an average hourly rate of £226.88. Attached at Appendix B is a time analysis which provides details of the activity costs incurred by staff grade during the period from 9 March 2012 to 8 March 2013

Description of Significant Time Costs Incurred by Category

Statutory and Review

6 3 This involved making regular reviews of the case file to ensure all matters were being progressed and complying with the statutory requirement to submit a Directors' Conduct Report to The Insolvency Service

Expenses and Disbursements

6 4 The joint liquidators have incurred expenses and Category 1 disbursements (independent third party expenses paid and reimbursed to the joint liquidators, which do not require creditors' consent) as follows

Description	Total amount incurred to date £	Amount incurred in this period £	Amount reimbursed £	Amount still to be reimbursed £
Companies House Searches	2 00	2 00	-	2 00
Postal Redirection	27 20	27 20	-	27 20
IT Support	75 00	75 00	-	75 00
Bordereau Fee	12 50	12 50	-	12 50
Statutory Advertising	229 50	229 50	-	229 50
Total	346 20	346 20	-	346 20

6 5 Creditors also approved the basis for recharging disbursements that include payments to outside parties in which the joint liquidators or Leonard Curtis have an interest, also known as Category 2 disbursements. In this case, the following costs have been incurred

Description	Total amount incurred to date £	Amount incurred in this period £	Amount reimbursed £	Amount still to be reimbursed £
Mileage	62 10	62 10	-	62 10
Total	62 10	62 10	-	62 10

Ridgegate Construction Limited – In Creditors' Voluntary Liquidation

6 6 Attached at Appendix C is additional information in relation to the firm's policy on staffing, the use of subcontractors, disbursements and details of current charge-out rates by staff grade

6 7 During the liquidation, the following professional advisors and / or subcontractors have been used

Name of Professional Advisor	Service Provided	Basis of Fees
Cerberus Receivables Management Limited	Ledger Valuation	Fixed Fee
Charles Taylor	Asset Valuation	Fixed Fee

Creditors' Rights

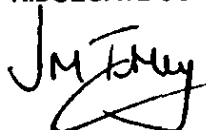
6 8 Within 21 days of receipt of this report, a creditor may request the joint liquidators to provide further information about the remuneration and expenses set out in this report. A request must be in writing, and may be made by a secured creditor, or an unsecured creditor with the concurrence of at least five per cent in value of the creditors (including that creditor), or the permission of the court

6 9 Any secured creditor, or any unsecured creditor with either the concurrence of at least 10 per cent in value of the creditors (including that creditor) or the permission of the court, may apply to the court, on the grounds that the basis fixed for the joint liquidators' remuneration is inappropriate, or the remuneration or expenses charged by the joint liquidators is excessive

6 10 The application must, subject to any order of the court under paragraph 6 9 above, be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question

6 11 Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the liquidation

Yours faithfully
for and on behalf of
RIDGEGATE CONSTRUCTION LIMITED



J M TITLEY
JOINT LIQUIDATOR

Licensed in the UK by the Institute of Chartered Accountants in England and Wales

SUMMARY OF JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS FROM 9 MARCH 2012 TO 8 MARCH 2013

	Estimated to Realise £	Movements in the Period £
RECEIPTS		
Debtors	4,879	7,800 00
Plant, Machinery and Fixtures & Fittings	<u>1,000</u>	<u>-</u>
	<u>5,879</u>	<u>7,800 00</u>
Cash in Hand		18 61
Bank Interest		<u>2 37</u>
		<u>7,820 98</u>
PAYMENTS		
Agents' Fees		500 00
Statement of Affairs Fee		<u>6,000 00</u>
		<u>6,500 00</u>
BALANCE AT BANK		<u><u>1,320 98</u></u>
MADE UP AS FOLLOWS		
Balance at Bank		120 98
VAT Control Account		<u>1,200 00</u>
		<u><u>1,320 98</u></u>

APPENDIX B

SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FROM 9 MARCH 2012 TO 8 MARCH 2013

	Director		Senior Manager		Manager 2		Administrator 1		Administrator 2		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	1	42 50	-	-	17	484 50	71	1,633 00	-	-	63	850 50	152	3,010 50	198 06
Receipts & Payments	-	-	-	-	-	-	-	-	-	-	24	324 00	24	324 00	135 00
Assets	9	382 50	6	231 00	-	-	35	805 00	-	-	8	108 00	58	1,526 50	263 19
Liabilities	5	212 50	6	231 00	13	370 50	50	1,150 00	25	525 00	23	310 50	122	2,799 50	229 47
General Administration	2	85 00	3	115 50	-	-	-	-	85	1,785 00	8	108 00	98	2,093 50	213 62
Appointment	-	-	-	-	-	-	-	-	20	420 00	-	-	20	420 00	210 00
Post Appointment Credits Mtngs	-	-	25	962 50	-	-	-	-	-	-	20	270 00	45	1,232 50	273 89
Investigations	17	722 50	2	77 00	-	-	-	-	-	-	-	-	19	799 50	420 79
Total	34	1,445 00	42	1,617 00	30	855 00	156	3,588 00	130	2,730 00	146	1,971 00	538	12,206 00	

Average Hourly Rate (£)

425 00

385 00

285 00

230 00

210 00

135 00

226 88

All Units are 6 minutes

LEONARD CURTIS CHARGE OUT RATES AND POLICY REGARDING STAFF ALLOCATION, SUPPORT STAFF, THE USE OF SUBCONTRACTORS AND THE RECHARGE OF DISBURSEMENTS

The following information relating to the policy of Leonard Curtis is considered to be relevant to creditors

Staff Allocation and Support Staff

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution of the secured creditors, a creditors' committee or creditors generally, that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters arising in the appointment, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

With effect from 1 January 2012 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

	Standard £	Complex £
Director	425	531
Senior Manager	385	481
Manager 1	330	412
Manager 2	285	356
Administrator 1	230	287
Administrator 2	210	262
Administrator 3	190	237
Administrator 4	135	168
Support	0	0

Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holders or their staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Disbursements

- a) **Category 1 disbursements** These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) **Category 2 disbursements** These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£66.09 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.