

# AM10

## Notice of administrator's progress report



Companies House

FRIDAY



A20 \*A7A3G97E\* #132  
13/07/2018  
COMPANIES HOUSE

### 1 Company details

Company number 0 2 6 4 5 9 1 6  
Company name in full Milward Construction (Belper) Limited

→ Filling in this form  
Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Dean  
Surname Nelson

### 3 Administrator's address

Building name/number St Helens House  
Street King Street  
Post town Derby  
County/Region  
Postcode D E 1 3 E E  
Country

### 4 Administrator's name ①

Full forename(s) Megan  
Surname Wallis

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

### 5 Administrator's address ②

Building name/number The Mills  
Street Canal Street  
Post town Derby  
County/Region  
Postcode D E 1 2 R J  
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><br>2 | <sup>d</sup><br>8 | <sup>m</sup><br>1 | <sup>m</sup><br>1 | <sup>y</sup><br>2 | <sup>y</sup><br>0 | <sup>y</sup><br>1 | <sup>y</sup><br>7 |  |
| To date   | <sup>d</sup><br>2 | <sup>d</sup><br>7 | <sup>m</sup><br>0 | <sup>m</sup><br>5 | <sup>y</sup><br>2 | <sup>y</sup><br>0 | <sup>y</sup><br>1 | <sup>y</sup><br>8 |  |

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

|                           |                   |   |                   |                   |                   |                   |                   |                   |  |
|---------------------------|-------------------|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--|
| Administrator's signature | Signature<br>X    |  | X                 |                   |                   |                   |                   |                   |  |
| Signature date            | <sup>d</sup><br>1 | <sup>d</sup><br>2   | <sup>m</sup><br>0 | <sup>m</sup><br>7 | <sup>y</sup><br>2 | <sup>y</sup><br>0 | <sup>y</sup><br>1 | <sup>y</sup><br>8 |  |

# AM10

## Notice of administrator's progress report



### 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 **Emily Oliver**

Company name **Smith Cooper**

Address **St Helens House**

**King Street**

Post town **Derby**

County/Region

Postcode **D E 1 3 E E**

Country

DX

Telephone **01332 332021**



### 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

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



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**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)**

**Milward Construction (Belper) Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

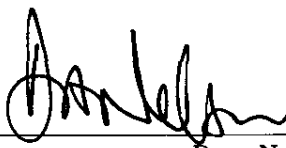
| Statement<br>of Affairs<br>£ | From 28/11/2017<br>To 27/05/2018<br>£ | From 28/05/2015<br>To 27/05/2018<br>£ |
|------------------------------|---------------------------------------|---------------------------------------|
|                              |                                       |                                       |
|                              | SECURED ASSETS                        |                                       |
|                              | Goodwill                              | NIL                                   |
|                              |                                       | 4,000.00                              |
|                              |                                       | 4,000.00                              |
|                              | SECURED CREDITORS                     |                                       |
|                              | National Westminster Bank plc         | NIL                                   |
|                              |                                       | 4,000.00                              |
|                              |                                       | (4,000.00)                            |
|                              | ASSET REALISATIONS                    |                                       |
| 2,850.00                     | Office Furniture, Plant & Machinery   | NIL                                   |
| 4,750.00                     | Motor Vehicles                        | NIL                                   |
| NIL                          | Work in Progress                      | NIL                                   |
| 5,272.00                     | Book Debts                            | NIL                                   |
| 7,946.00                     | Customer Retentions                   | NIL                                   |
| NIL                          | Prepayments & Other Debtors           | NIL                                   |
| NIL                          | Corporation Tax Refund                | NIL                                   |
| NIL                          | Heron Homes Limited Claim             | NIL                                   |
|                              | Petition Deposit Refund               | NIL                                   |
|                              | Cash at Bank                          | NIL                                   |
|                              | Creditors' Meeting Funding            | NIL                                   |
|                              | Returned Direct Debits                | NIL                                   |
|                              | Bank Interest Gross                   | 4.44                                  |
|                              | Statutory Interest on Book Debts      | NIL                                   |
|                              | Director's Loan Account               | NIL                                   |
|                              |                                       | 4.44                                  |
|                              |                                       | 73,337.42                             |
|                              | COST OF REALISATIONS                  |                                       |
|                              | Specific Bond                         | NIL                                   |
|                              | Creditors' Meeting Costs              | NIL                                   |
|                              | Joint Administrators' Pre-App Fees S  | NIL                                   |
|                              | Joint Administrators Fees - Smith Co  | NIL                                   |
|                              | Joint Administrators Fees - Bates Wes | NIL                                   |
|                              | Agents Pre-Appointment Fees           | NIL                                   |
|                              | Quantity Surveyor's Pre-Appointment   | NIL                                   |
|                              | Pre-Appointment Legal Fees            | NIL                                   |
|                              | Post Appointment Legal Fees           | NIL                                   |
|                              | Corporation Tax                       | 4.56                                  |
|                              | Quantity Surveyor's Post Appointment  | NIL                                   |
|                              | Legal Disbursements                   | NIL                                   |
|                              | Travel/Subsistence                    | NIL                                   |
|                              | Storage Costs                         | 0.95                                  |
|                              | Re-Direction of Mail                  | NIL                                   |
|                              | Statutory Advertising                 | NIL                                   |
|                              | Insurance of Assets                   | NIL                                   |
|                              | Land Registry/Company Search          | NIL                                   |
|                              | Duplicate V5 Documentation Fee        | NIL                                   |
|                              |                                       | (5.51)                                |
|                              |                                       | (61,865.89)                           |
|                              | PREFERENTIAL CREDITORS                |                                       |
| (15,106.00)                  | Employees - Arrears of Pay & Holiday  | NIL                                   |
|                              |                                       | NIL                                   |
|                              |                                       | NIL                                   |
|                              | FLOATING CHARGE CREDITORS             |                                       |
| (21,898.00)                  | National Westminster Bank plc         | NIL                                   |
|                              |                                       | NIL                                   |
|                              | UNSECURED CREDITORS                   |                                       |
| (717,293.00)                 | Trade & Expense Creditors             | NIL                                   |
|                              |                                       | NIL                                   |

**Milward Construction (Belper) Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

| Statement<br>of Affairs<br>£ |                                      | From 28/11/2017<br>To 27/05/2018<br>£ | From 28/05/2015<br>To 27/05/2018<br>£ |
|------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| (15,400.00)                  | HMRC - PAYE/NIC                      | NIL                                   | NIL                                   |
| (97.00)                      | HMRC - VAT                           | NIL                                   | NIL                                   |
| (25,731.00)                  | Director's Loan Account - Mr S Milwa | NIL                                   | NIL                                   |
| (4,804.00)                   | Other Creditors & Accruals           | NIL                                   | NIL                                   |
| (15,232.00)                  | Employees - Arrears of Pay           | NIL                                   | NIL                                   |
| (78,607.00)                  | Employees - Redundancy Pay & PILO    | NIL                                   | NIL                                   |
|                              |                                      | NIL                                   | NIL                                   |
|                              | DISTRIBUTIONS                        |                                       |                                       |
| (20,000.00)                  | Ordinary Shareholders                | NIL                                   | NIL                                   |
|                              |                                      | NIL                                   | NIL                                   |
| <b>(893,350.00)</b>          |                                      | <b>(1.07)</b>                         | <b>11,471.53</b>                      |
|                              | REPRESENTED BY                       |                                       |                                       |
|                              | Vat Receivable                       |                                       | 7,129.42                              |
|                              | Floating Charge Account              |                                       | 4,342.11                              |
|                              |                                      |                                       | <b>11,471.53</b>                      |

Note:

The amounts stated are net of VAT.

  
 \_\_\_\_\_  
 Dean Nelson  
 Joint Administrator

**High Court of Justice, Chancery Division, Companies Court  
No. 3587 of 2015**

**Milward Construction (Belper) Limited  
(In Administration)**

**The Joint Administrators' Progress Report to 27 May 2018**

**Dean Nelson**

**Smith Cooper  
St Helen's House, King Street, Derby, DE1 3EE  
01332 332021**

**Megan Wallis**

**Bates Weston LLP  
The Mills, Canal Street, Derby DE1 2RJ  
01332 365855**

**This report has been prepared for the sole purpose of updating the creditors for information purposes. 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 for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.**

**Dean Nelson and Megan Wallis were appointed Joint Administrators of Milward Construction (Belper) Limited on 28 May 2015. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.**

## **ABBREVIATIONS**

For the purpose of this report the following abbreviations shall be used:

|                            |  |
|----------------------------|--|
| "the Act"                  | Insolvency Act 1986  |
| "the Rules"                | Insolvency Rules 1986 (as amended)                                   |
| "the Joint Administrators" | Dean Nelson of Smith Cooper and Megan Wallis of Bates<br>Weston      |
| "the Company"              | Milward Construction (Belper) Limited (in<br>Administration)         |
| "the Court"                | High Court of Justice, Chancery Division, Companies<br>Court         |
| "the London Court"         | County Court at Central London, Chancery Business                    |
| "EOS"                      | Estimated Outcome Statement  |
| "SIP"                      | Statement of Insolvency Practice (England & Wales)                   |
| "Review Period"            | Period covered by the report from 28 November 2017 to<br>27 May 2018 |
| "SoA"                      | Statement of Affairs dated 28 May 2015                               |
| "QS"                       | Quantity Surveyor  |
| "PP"                       | Prescribed Part  |
| "Natwest" or "the Bank"    | National Westminster Bank Plc  |
| "SP"                       | The Smith Partnership  |

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- 6. The Joint Administrators' Fees and Expenses**
- 7. Conclusion**

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- III. The Joint Administrators' EOS**
- IV. The Joint Administrators' Time Costs during the Review Period and Cumulative**
- V. Charge-out Rates and Bases of category 2 Disbursements**
- VI. Details of Work Undertaken**

## 1. EXECUTIVE SUMMARY

This report describes the progress during the Review Period.

A summary of key information in this report is detailed below.

### 1.1. Asset realisations

| <b>Asset</b>                        | <b>Estimated to realise per SoA (£)</b> | <b>Realised to date (£)</b> | <b>Anticipated Future Realisations (£)</b> | <b>Total Anticipated Realisations (£)</b> |
|-------------------------------------|---|-----------------------------|--|---|
| Goodwill (net of secured creditor)  | -                                       | -                           | -  | -   |
| Office Furniture, Plant & Machinery | 2,850                                   | 4,660                       | -  | 4,660                                     |
| Motor Vehicles                      | 4,750                                   | 5,500                       | -  | 5,500                                     |
| Work in Progress                    | Nil                                     | 7,890                       | -  | 7,890                                     |
| Book Debts                          | 5,272                                   | 20,979                      | -  | 20,979                                    |
| Customer Retentions                 | 7,946                                   | 3,804                       | -  | 3,804                                     |
| Prepayments & Other Debtors         | Nil                                     | -                           | -  | Nil                                       |
| Corporation Tax Refund              | Nil                                     | 9,956                       | -  | 9,956                                     |
| Petition Deposit Refund             | Not shown                               | 3,138                       | -  | 3,138                                     |
| Cash at Bank                        | Not shown                               | 373                         | -  | 373                                       |
| Creditors' Meeting Funding          | Not shown                               | 2,614                       | -  | 2,614                                     |
| Returned Direct Debits              | Not shown                               | 1,614                       | -  | 1,614                                     |
| Bank Interest Gross                 | Not shown                               | 63                          | -  | 63  |
| Statutory Interest on Book Debts    | Not shown                               | 246                         | -  | 246                                       |
| Director's Loan Account             | Not shown                               | 12,500                      | -  | 12,500                                    |
| <b>Total</b>                        | <b>20,818</b>                           | <b>73,337</b>               | <b>-</b>                                   | <b>73,337</b>                             |

### 1.2. Expenses / Fees

| <b>Expense / Fees</b>                               | <b>Estimated per Proposal's EoS (£)</b> | <b>Expense / Fees incurred to date (£)</b> | <b>Anticipated further expense / Fees to closure (£)</b> | <b>Total anticipated expense / Fees (£)</b> | <b>Report Section</b> |
|---|---|--|--|---|-----------------------|
| Joint Administrators' Pre-appointment Fees          | 14,237                                  | 14,237                                     | -  | 14,237                                      |                       |
| Joint Administrators' Post Appointment Fees         | 8,356                                   | 113,213                                    | 10,000   | 123,213                                     | 6.1/6.2               |
| Solicitors' Pre-appointment Fees and Disbursements  | 1,200                                   | 1,380                                      | -  | 1,380                                       |                       |
| Solicitors' Post-appointment Fees and Disbursements | 2,000                                   | 41,483                                     | 7,000  | 48,483                                      | 6.3                   |
| Agents' Pre-appointment Fees and Disbursements      | 425                                     | 425  | -  | 425   |                       |
| QS' Pre-appointment Fees and Disbursements          | 1,250                                   | 1,250                                      | -  | 1,250                                       |                       |
| QS' Post-appointment Fees and Disbursements         | -                                       | 475  | -  | 475   |                       |
| Corporation Tax                                     | 800                                     | 1,042                                      | -  | 1,042                                       |                       |
| Other Administrative Disbursements                  | 3,000                                   | 3,842                                      | 947  | 4,789                                       |                       |
| <b>Total</b>  | <b>31,268</b>                           | <b>177,346</b>                             | <b>17,948</b>  | <b>195,294</b>                              |                       |

**1.3. Dividend prospects**

| <b>Creditor class</b>  | <b>Dividend /<br/>Distribution<br/>paid to date (p<br/>in £)</b> | <b>Anticipated<br/>Further Dividend<br/>/ Distribution (p<br/>in £)</b> | <b>Anticipated<br/>Total Dividend<br/>/ Distribution<br/>(p in £)</b> |
|------------------------|--|---|---|
| Secured creditor       | 18.2   | Nil   | 18.2  |
| Preferential creditors | Nil  | Nil   | Nil   |
| Unsecured creditors    | Nil  | Nil   | Nil   |

An extension to the period of Administration of 12 months was granted by the secured and preferential creditors on 25 May 2016, and a further extension of 2 years was granted by the Court on 25 May 2017 and thus the Administration is now scheduled to end on 27 May 2019.

**1.4. Summary of key issues outstanding**

The outstanding key issues are as follows:-

- Finalisation of claims with regards to our investigations.

**1.5. Closure**

Based on current information, the prospect of any dividend being paid to preferential or unsecured creditors will be dependent on the results of the claims. The closure date of the Administration will also depend on the claims. Creditors will be updated further on progress in my next report, so as not to prejudice current/contemplated proceedings.

## **2. ADMINISTRATORS' PROPOSALS**

### **2.1. Introduction**

As previously reported to creditors, the Administrators concluded that the objective in Paragraph 3(1)(a) of Schedule B1 of the Act would not be achieved, and presently there are insufficient funds available for a distribution to the unsecured creditors.

Consequently, the Administrators will perform their functions in relation to the Company with the objectives set out in Paragraph 3(1)(b) and 3(1)(c) of Schedule B1 of the Act, which is to make a distribution to one or more secured or preferential creditors, provided that this does not unnecessarily harm the interests of the creditors of the Company as a whole.

You will note from the receipts and payments account included at Appendix II, that a payment has been made to the secured creditor. Therefore, the Administrators have met the objectives set out in Paragraph 3(1)(c) of Schedule B1 of the Act.

The Administrators' Proposals in order to achieve this objective, were approved by creditors at a meeting held on 8 July 2015, and are stated as follows:

1. The Administrators will continue to manage the affairs and property of the Company, in such manner as we consider expedient, in order to realise the remaining property and settle the preferential claims at the earliest opportunity, or pursue any other purpose set out in these proposals or incidental to them.
  2. When deemed appropriate, the Joint Administrators shall bring the Administration to a close using one of the following exit routes:-
    - a) They shall place the Company into Creditors' Voluntary Liquidation and file notice with the Registrar of Companies. The proposed Joint Liquidators for this purpose are to be Dean Anthony Nelson of SC Advisory Services Limited t/a Smith Cooper and Megan Wallis of Bates Weston LLP.

In accordance with paragraph 83(7)(a) of Schedule B1 of the Insolvency Act 1986 and with Rule 2.117A(2)(b) of the Insolvency Rules 1986, creditors may nominate a different person as the proposed Liquidator, provided that the nomination is received prior to the proposals being approved (or deemed to be approved).
    - b) Issue a Notice of Dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Act.
  3. The Joint Administrators may, at their sole discretion, apply to extend the period of Administration.
  4. The Joint Administrators be authorised to make such application to the Court for directions as they consider appropriate with a view to achieving the purposes of the Administration.
  5. The Joint Administrators are authorised to investigate and if appropriate pursue any claims that the Company may have.
  6. In addition, the Joint Administrators may do all such other things and generally exercise all of their powers as Administrator as, in their discretion, considered desirable in order to achieve the purposes of the Administration or to protect and preserve the assets of the Company or to maximise their realisations for any other purpose incidental to these proposals.
-

7. On the date of cessation of the Joint Administrators' appointment either pursuant to Paragraphs 83(6)(a) or 84(4) of Schedule B1 of the Act, as appropriate, the Joint Administrators be discharged from liability in accordance with paragraph 98 of the said schedule.

## **2.2 Progress on and achievement of the approved Proposals**

I have summarised below the progress and current status in respect of each of the approved proposals:

| <b>Proposal</b> | <b>Current status</b>   |
|-----------------|---|
| 1               | This matter is ongoing and the progress is detailed later in this report.   |
| 2               | It does not appear likely therefore that the Company will be placed into Creditors' Voluntary Liquidation, therefore based on current information, the Administration will be brought to a close by filing a Notice of Dissolution. |
| 3               | The Administration period has been extended by approval from creditors initially and subsequently by an application to the London Court.  |
| 4               | An extension was granted by the London Court on an application by the Joint Administrators.   |
| 5               | This matter is ongoing and progress is detailed later in this report.   |
| 6               | This matter is ongoing and progress is detailed later in this report.   |
| 7               | Not applicable to date.   |

Further information in respect of the realisation of assets, the status of liabilities, and the estimated outcome for creditors, is contained in the following sections of this report.

### **3. THE PROGRESS OF THE ADMINISTRATION**

#### **3.1. The Joint Administrators' receipts and payments account**

Attached at Appendix II is a receipts and payments account for the Review Period together with a summary of the transactions in the previous review periods.

The rest of this report describes the key developments in the Administration over the Review Period.

In this section, we have summarised the main asset realisations during the Review Period and an estimation of the those assets yet to be realised, together with details of the associated costs incurred, but as yet, remaining unpaid.

#### **3.2. Administration (including statutory reporting)**

The Joint Administrators have met a considerable number of statutory and regulatory obligations. Whilst many of these tasks have not had a direct benefit in enhancing realisations for the insolvent estate, they have assisted in the efficient and compliant progressing of the administration, which has ensured that the Joint Administrators and their staff have carried out their work to high professional standards.

During the Review Period, primarily these tasks have included:

- Drafting and issuing the progress report to creditors;
- Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Convening meetings between the Joint Administrators and their solicitors to periodically review the progression with the detailed / comprehensive investigations and strategy thereon;
- Preparing reports to the quasi creditors committee with regards to the ongoing investigations.
- Maintaining case files, which must include records to show and explain the Administration and any decisions made by the Joint Administrators that materially affect the Administration;
- Monitoring and maintaining an adequate statutory bond;
- Conducting periodic case reviews to ensure that the Administration is progressing efficiently, effectively and in line with the statutory requirements;
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments; and
- Completing periodic tax returns.

#### **3.3. Realisation of assets**

No realisations have been received during the period.

#### **3.4. Estimated future realisations**

Several rights of action claims are currently being considered as a result of our detailed investigations into the affairs of the Company and its directors, which may result in enhanced realisations for creditors in the estate. These are discussed further in section 5, but have been sensitised so as not to prejudice current or contemplated proceedings.

#### **3.5. Costs incurred but remaining unpaid**

The following table summarises the costs incurred during the Review Period, but which as yet remain unpaid:

**Milward Construction (Belper) Limited (In Administration)**  
**The Joint Administrators' Progress Report to 27 May 2018**

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| <b>Cost Description</b>   | <b>Amount plus VAT<br/>(£)</b> |
|---|--------------------------------|
| Legal fees in assisting the Joint Administrators with their investigations and the merits of any action to be taken | 7,012                          |
| <b>TOTAL</b>  | <b>7,012</b>                   |

During the Review Period, the Joint Administrators have also incurred time costs and direct expenses, not all of which have yet been discharged. Further details of these costs are set out in section 5 below.

#### **4. CREDITORS: CLAIMS AND DISTRIBUTIONS**

##### **4.1. Secured creditors**

At the date of appointment, the Company's bankers, Natwest, held fixed and floating charge security by way of debenture, created on 4 March 2002. The charge was registered on 7 March 2002, over all property and assets present and future including goodwill, book debts, uncalled share capital, buildings fixtures, fixed plant & machinery.

Prior to the Review Period, the Joint Administrators' legal advisors, Freeths LLP, confirmed the validity of the Bank's security, and a first and final distribution of £4k was declared and paid, under Natwest's fixed charge against its indebtedness of c.£21.9k. This represented the balance of the funds from the business and asset sale, which have been allocated against goodwill.

Based on current information, the likelihood of sufficient funds becoming available to enable any further distributions to be made to Natwest under its security, will depend on the outcome of the claims.

##### **4.2. Preferential creditors**

The Joint Administrators and their staff have incurred time costs in assisting employees to obtain payment from the Redundancy Payments Office.

Preferential claims relating to unpaid holiday pay and wage arrears were estimated at c.£15k in the Director's Estimated Statement of Affairs.

Based on current information, the likelihood of sufficient funds becoming available to enable any distribution to the Preferential creditors, will depend on the outcome of the claims.

##### **4.3. Prescribed Part**

Under Section 176A of the Insolvency Act 1986, where after 15 September 2003 a company has granted to a creditor a floating charge, a proportion of the net property of the company must be made available purely for the unsecured creditors. This equates to:

- 50% of net property up to £10,000;
- Plus, 20% of net property in excess of £10,000.
- Subject to a maximum of £600,000.

The Company has granted a floating charge to Natwest prior to 15 September 2003, and as such, no PP applies in this Administration.

##### **4.4. Unsecured creditors**

Unsecured claims were estimated at c.£857k in the SoA. It is not currently anticipated that a dividend distribution will be declared to unsecured creditors in this matter. However, the Administrators are continuing with their detailed investigations into the affairs of the Company and its Directors, which may result in enhanced realisations in the estate, resulting potentially in a dividend becoming payable.

Creditors will be updated as to the progress in respect of these potential rights of action in my next report, subject to not prejudicing any current or contemplated proceedings.

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## **5. INVESTIGATIONS**

### **5.1. As part of the Joint Administrators' statutory duties, an investigation into the conduct of the Company Directors was completed.**

As such, a confidential report was submitted to The Insolvency Service on 28 January 2016.

### **5.2. Initial Assessment of Potential Recoveries**

As part of our duties as Joint Administrators, we are obliged to review shortly after appointment, all the information available to us and conduct an initial assessment of whether there are any matters which may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to, or who have past dealings, with the Company.

This initial assessment revealed matters that the Joint Administrators considered merited further investigation and as such instructed SP, a firm with the requisite insolvency knowledge and expertise, to assess these claims.

The Joint Administrators cannot currently provide detailed information in relation to the potential claims, as this may prejudice current or contemplated proceedings. However, a general overview of the claims can be provided as follows:-

- a. Investigations into the conduct of the Directors of the Company in the two years prior to the Administration of the Company.
- b. A potential wrongful trading claim;
- c. A potential misfeasance claim; and
- d. A potential claim for a transaction at an undervalue and/or a preference.

In my last report to creditors, an offer was made by the relevant party to settle these claims. However, on assessing this offer, it was agreed by the Joint Administrators and their solicitor that this was not sufficient considering the quantum of the claims and the financial viability of the other party. As such, steps are being taken to progress these claims further and whilst I cannot disclose any further details to creditors at this time, I hope to be in a position to provide further information in my next report to creditors.

### **5.3. EC Regulations**

Council Regulation (EU) No 1346/2000 applies and these are the main proceedings as defined in that regulation.

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## 6. THE JOINT ADMINISTRATORS' FEES AND EXPENSES

### 6.1. Basis of Remuneration

The basis of the Joint Administrators' remuneration was fixed on 16 June 2015 by the secured and preferential creditors, when the following resolution was approved:

*"The Joint Administrators' remuneration be fixed on a time costs basis by reference to Smith Cooper /Bates Weston LLP normal rates for the time spent by them and their staff in attending to matters arising in the Administration."*

A breakdown of the time costs incurred during the Review Period is provided at Appendix IV and further information regarding the charge-out rates of the Joint Administrators and their staff is provided at Appendix V.

"A Creditors' Guide to Administrators' Remuneration" is available for download at <http://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/administration-creditor-fee-guide-6-april-2017.ashx?la=en>

Should you require a paper copy, please send your request in writing to the Joint Administrators at the address on the front of this report and this will be provided to you at no cost.

### 6.2. Remuneration

#### 6.2.1. During the Review Period

Remuneration incurred during the Review Period is summarised at Appendix IV, which shows Smith Cooper's time costs totalled c.£4.5k relating to c.23 hours at an average hourly rate of c.£196 and Bates Weston LLP's time costs amounted to c.£2.7k relating to c.13 hours at an average hourly rate of c.£217.

During the period of this report, no fees have been drawn by either Joint Administrators.

The work has been categorised into the following task headings and sub categories which is detailed further in Appendix VI:

- **Administration and planning** includes case planning, maintenance of our case files and insolvency case record, statutory reporting, compliance, cashiering, accounting and administrative functions.
- **Investigations** include investigating the Company's affairs, compiling information in relation to various antecedent transactions, liaising with solicitors and attending various meetings discussing strategy.
- **Creditors** corresponding with trade creditors, customer creditors, employee issues; and submitting documentation to HM Revenue & Customs. Also, preparing regular reports for the quasi committee of creditors to provide them with updates on the case and in particular, investigations.

#### 6.2.2. Since the Joint Administrators Appointment

Time costs incurred since the Joint Administrators' appointment, being 28 November 2017 to 27 May 2018, consists of Smith Cooper c.£76.8k, relating to c.444 hours at an average hourly rate of c.£173 and Bates Weston c.£36.4k, relating to c.217 hours at an average hourly rate of c.£167.

Remuneration of c.£26.8k plus VAT has been drawn against these outstanding time costs to date, as shown on the receipts and payments account at Appendix II, split as Smith Cooper c.£17k plus VAT and Bates Weston c.£9.8k plus VAT.

---

### 6.3. Other professional costs

SP, a firm of lawyers with the appropriate insolvency expertise, experienced in dealing with both contentious and non-contentious related matters have been instructed to assist with our detailed investigations and settlement negotiations with the various parties.

SP have incurred post appointment time costs of c.£7k plus VAT during the Review Period. Nothing has been paid to SP during the period.

SP's total time costs amount to c.£41.5k of which they have been paid c.£7.4k plus VAT, leaving an outstanding balance of c.£34.1k.

SP's fees are based upon their recorded time costs incurred, and will be reviewed by the Administrators' staff before being approved for payment, to ensure that the time and cost incurred accurately reflects the complexity of the assignment and asset values derived, subject to available assets.

### 6.4. Comparison of estimates

The expenses incurred to date are compared with the original expenses estimate as follows:

| Expenses  | Original expenses estimate per Proposals' EoS £ | Actual expenses incurred in the Review Period £ | Actual expenses incurred to date £ | Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)   |
|---|---|---|------------------------------------|--|
| Solicitors' Pre-appointment fees and Disbursements  | 1,200   | -   | 1,380                              | Unforeseen investigations and potential rights of action have resulted in additional time and disbursements being spent by SP and disbursements incurred by the Joint Administrators.            |
| Solicitors' Post-appointment fees and Disbursements | 2,000   | 7,012   | 41,483                             |  |
| Agents' Pre-appointment fees and Disbursements      | 425   | -   | 425                                | Furthermore, the Joint Administrators and SP have had to extend the Administration beyond the period originally anticipated which has incurred additional Administrative work and disbursements. |
| QS Pre-appointment fees and Disbursements           | 1,250   | -   | 1,250                              |  |
| QS Post-appointment fees and Disbursements          | -   | -   | 475                                |  |
| Other Administrative Disbursements                  | 3,000   | -   | 3,841                              |  |
| Contingency   | 800   | -   | 1,037                              |  |
| <b>TOTAL</b>  | <b>8,675</b>                                    | <b>7,012</b>                                    | <b>49,891</b>                      |  |

The bases on which the expenses defined as Category 2 disbursements are calculated are explained in Appendix V.

### 6.5. Creditors' right to request information

Any secured creditor, or unsecured creditor with the support of at least 5% in value of the unsecured creditors or with permission of the Court, may request in writing the Joint Administrators to provide additional information regarding fees or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report.

**6.6. Creditors' right to challenge fees and/or expenses**

Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the Court, may apply to the Court for one or more orders, reducing the amount or the basis of fees which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the fees and/or expenses being complained of.

Please note that such challenges may not disturb fees or expenses (whether or not discharged from the estate) disclosed in prior progress reports.

**7. CONCLUSION**

The Administration will continue in order to progress the claims under section 5 of this report. The Joint Administrators will continue to update the quasi creditors committee, and will provide creditors with an update in our next report.

If you require any further information please contact Emily Oliver on 01332 332 021.



**D A Nelson**  
Joint Administrator



Dean Nelson and Megan Wallis were appointed Joint Administrators of Milward Construction (Belper) Limited on 28 May 2015. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

**MILWARD CONSTRUCTION (BELPER) LIMITED (IN ADMINISTRATION)****STATUTORY INFORMATION**

|                           |   |  |
|---------------------------|---|--|
| Company Name              | Milward Construction (Belper) Limited   |  |
| Previous Names            | N/A   |  |
| Proceedings               | In Administration   |  |
| Court                     | High Court of Justice, Chancery Division, Companies Court                       |  |
| Court Reference           | 3587 of 2015  |  |
| Date of Appointment       | 28 May 2015   |  |
| Joint Administrators      | Dean Nelson<br>Smith Cooper<br>St Helen's House<br>King Street<br>Derby DE1 3EE | Megan Wallis<br>Bates Weston LLP<br>The Mills<br>Canal Street<br>Derby DE1 2RJ |
| Registered office address | Smith Cooper, St Helen's House, King Street, Derby, DE1 3EE                     |  |
| Company Number            | 02645916  |  |
| Appointment by            | The Directors   |  |

**MILWARD CONSTRUCTION (BELPER) LIMITED (IN ADMINISTRATION)**  
**THE JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT**

**Milward Construction (Belper) Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

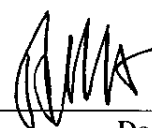
| Statement<br>of Affairs<br>£ | From 28/11/2017<br>To 27/05/2018<br>£ | From 28/05/2015<br>To 27/05/2018<br>£ |
|------------------------------|---------------------------------------|---------------------------------------|
|                              |                                       |                                       |
|                              | SECURED ASSETS                        |                                       |
|                              | Goodwill                              | NIL                                   |
|                              |                                       | 4,000.00                              |
|                              |                                       | NIL                                   |
|                              |                                       | 4,000.00                              |
|                              | SECURED CREDITORS                     |                                       |
|                              | National Westminster Bank plc         | NIL                                   |
|                              |                                       | 4,000.00                              |
|                              |                                       | NIL                                   |
|                              |                                       | (4,000.00)                            |
|                              | ASSET REALISATIONS                    |                                       |
| 2,850.00                     | Office Furniture, Plant & Machinery   | NIL                                   |
| 4,750.00                     | Motor Vehicles                        | NIL                                   |
| NIL                          | Work in Progress                      | NIL                                   |
| 5,272.00                     | Book Debts                            | NIL                                   |
| 7,946.00                     | Customer Retentions                   | NIL                                   |
| NIL                          | Prepayments & Other Debtors           | NIL                                   |
| NIL                          | Corporation Tax Refund                | NIL                                   |
| NIL                          | Heron Homes Limited Claim             | NIL                                   |
|                              | Petition Deposit Refund               | NIL                                   |
|                              | Cash at Bank                          | NIL                                   |
|                              | Creditors' Meeting Funding            | NIL                                   |
|                              | Returned Direct Debits                | NIL                                   |
|                              | Bank Interest Gross                   | 4.44                                  |
|                              | Statutory Interest on Book Debts      | NIL                                   |
|                              | Director's Loan Account               | NIL                                   |
|                              |                                       | 4.44                                  |
|                              |                                       | 73,337.42                             |
|                              | COST OF REALISATIONS                  |                                       |
|                              | Specific Bond                         | NIL                                   |
|                              | Creditors' Meeting Costs              | NIL                                   |
|                              | Joint Administrators' Pre-App Fees S  | NIL                                   |
|                              | Joint Administrators Fees - Smith Co  | NIL                                   |
|                              | Joint Administrators Fees - Bates Wes | NIL                                   |
|                              | Agents Pre-Appointment Fees           | NIL                                   |
|                              | Quantity Surveyor's Pre-Appointment   | NIL                                   |
|                              | Pre-Appointment Legal Fees            | NIL                                   |
|                              | Post Appointment Legal Fees           | NIL                                   |
|                              | Corporation Tax                       | 4.56                                  |
|                              | Quantity Surveyor's Post Appointment  | NIL                                   |
|                              | Legal Disbursements                   | NIL                                   |
|                              | Travel/Subsistence                    | NIL                                   |
|                              | Storage Costs                         | 0.95                                  |
|                              | Re-Direction of Mail                  | NIL                                   |
|                              | Statutory Advertising                 | NIL                                   |
|                              | Insurance of Assets                   | NIL                                   |
|                              | Land Registry/Company Search          | NIL                                   |
|                              | Duplicate V5 Documentation Fee        | NIL                                   |
|                              |                                       | (5.51)                                |
|                              |                                       | (61,865.89)                           |
|                              | PREFERENTIAL CREDITORS                |                                       |
| (15,106.00)                  | Employees - Arrears of Pay & Holiday  | NIL                                   |
|                              |                                       | NIL                                   |
|                              | FLOATING CHARGE CREDITORS             |                                       |
| (21,898.00)                  | National Westminster Bank plc         | NIL                                   |
|                              |                                       | NIL                                   |
|                              | UNSECURED CREDITORS                   |                                       |
| (717,293.00)                 | Trade & Expense Creditors             | NIL                                   |

**Milward Construction (Belper) Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

| Statement<br>of Affairs<br>£ |                                      | From 28/11/2017<br>To 27/05/2018<br>£ | From 28/05/2015<br>To 27/05/2018<br>£ |
|------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| (15,400.00)                  | HMRC - PAYE/NIC                      | NIL                                   | NIL                                   |
| (97.00)                      | HMRC - VAT                           | NIL                                   | NIL                                   |
| (25,731.00)                  | Director's Loan Account - Mr S Milwa | NIL                                   | NIL                                   |
| (4,804.00)                   | Other Creditors & Accruals           | NIL                                   | NIL                                   |
| (15,232.00)                  | Employees - Arrears of Pay           | NIL                                   | NIL                                   |
| (78,607.00)                  | Employees - Redundancy Pay & PILO    | NIL                                   | NIL                                   |
|                              |                                      | NIL                                   | NIL                                   |
|                              | DISTRIBUTIONS                        |                                       |                                       |
| (20,000.00)                  | Ordinary Shareholders                | NIL                                   | NIL                                   |
|                              |                                      | NIL                                   | NIL                                   |
| <b>(893,350.00)</b>          |                                      | <b>(1.07)</b>                         | <b>11,471.53</b>                      |
|                              | REPRESENTED BY                       |                                       |                                       |
|                              | Vat Receivable                       |                                       | 7,129.42                              |
|                              | Floating Charge Account              |                                       | 4,342.11                              |
|                              |                                      |                                       | <b>11,471.53</b>                      |

Note:

The amounts stated are net of VAT.



Dean Nelson  
Joint Administrator



**MILWARD CONSTRUCTION (BELPER) LIMITED (IN ADMINISTRATION)**

**THE JOINT ADMINISTRATORS' EOS**

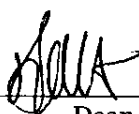
**Milward Construction (Belper) Limited**  
**(In Administration)**  
**Joint Administrators' Estimated Outcome Statement**  
**To 27/05/2018**

| Statement of Affairs £                               | Realised / Paid | Projected   | Total £     |
|--|-----------------|-------------|-------------|
| <b>SECURED ASSETS</b>                                |                 |             |             |
| Goodwill   | 4,000.00        | NIL         | 4,000.00    |
|  | 4,000.00        | NIL         | 4,000.00    |
| <b>SECURED CREDITORS</b>                             |                 |             |             |
| National Westminster Bank plc                        | 4,000.00        | NIL         | 4,000.00    |
|  | (4,000.00)      | NIL         | (4,000.00)  |
| <b>ASSET REALISATIONS</b>                            |                 |             |             |
| 2,850.00 Office Furniture, Plant & Machinery         | 4,660.00        | NIL         | 4,660.00    |
| 4,750.00 Motor Vehicles                              | 5,500.00        | NIL         | 5,500.00    |
| NIL Work in Progress                                 | 7,890.00        | NIL         | 7,890.00    |
| 5,272.00 Book Debts                                  | 20,978.77       | NIL         | 20,978.77   |
| 7,946.00 Customer Retentions                         | 3,803.88        | NIL         | 3,803.88    |
| NIL Prepayments & Other Debtors                      | NIL             | NIL         | NIL         |
| NIL Corporation Tax Refund                           | 9,955.83        | NIL         | 9,955.83    |
| NIL Heron Homes Limited Claim                        | NIL             | NIL         | NIL         |
| Petition Deposit Refund                              | 3,138.25        | NIL         | 3,138.25    |
| Cash at Bank   | 372.77          | NIL         | 372.77      |
| Creditors' Meeting Funding                           | 2,613.92        | NIL         | 2,613.92    |
| Returned Direct Debits                               | 1,614.41        | NIL         | 1,614.41    |
| Bank Interest Gross                                  | 63.35           | NIL         | 63.35       |
| Statutory Interest on Book Debts                     | 246.24          | NIL         | 246.24      |
| Director's Loan Account                              | 12,500.00       | NIL         | 12,500.00   |
|  | 73,337.42       | NIL         | 73,337.42   |
| <b>COST OF REALISATIONS</b>                          |                 |             |             |
| Specific Bond  | 162.00          | NIL         | 162.00      |
| Creditors' Meeting Costs                             | 2,613.92        | NIL         | 2,613.92    |
| Joint Administrators' Pre-App Fees SC/BW             | 14,237.10       | NIL         | 14,237.10   |
| Joint Administrators Fees - Smith Cooper             | 17,040.15       | 7,304.90    | 24,345.05   |
| Joint Administrators Fees - Bates Weston             | 9,798.43        | 1,516.00    | 11,314.43   |
| Agents Pre-Appointment Fees                          | 425.00          | NIL         | 425.00      |
| Quantity Surveyor's Pre-Appointment Fees             | 1,250.00        | NIL         | 1,250.00    |
| Pre-Appointment Legal Fees                           | 1,380.00        | NIL         | 1,380.00    |
| Post Appointment Legal Fees                          | 9,913.56        | 1,704.00    | 11,617.56   |
| Corporation Tax                                      | 1,041.58        | NIL         | 1,041.58    |
| Quantity Surveyor's Post Appointment Fee             | 475.49          | NIL         | 475.49      |
| Legal Disbursements                                  | 2,462.28        | NIL         | 2,462.28    |
| Travel/Subsistence                                   | 30.25           | NIL         | 30.25       |
| Storage Costs  | 309.82          | 946.63      | 1,256.45    |
| Re-Direction of Mail                                 | 160.00          | NIL         | 160.00      |
| Statutory Advertising                                | 136.40          | NIL         | 136.40      |
| Insurance of Assets                                  | 376.91          | NIL         | 376.91      |
| Land Registry/Company Search                         | 28.00           | NIL         | 28.00       |
| Duplicate V5 Documentation Fee                       | 25.00           | NIL         | 25.00       |
|  | (61,865.89)     | (11,471.53) | (73,337.42) |
| <b>PREFERENTIAL CREDITORS</b>                        |                 |             |             |
| (15,106.00) Employees - Arrears of Pay & Holiday Pay | NIL             | NIL         | NIL         |
|  | NIL             | NIL         | NIL         |
| <b>FLOATING CHARGE CREDITORS</b>                     |                 |             |             |
| (21,898.00) National Westminster Bank plc            | NIL             | NIL         | NIL         |

**Milward Construction (Belper) Limited**  
**(In Administration)**  
**Joint Administrators' Estimated Outcome Statement**  
**To 27/05/2018**

| Statement<br>of Affairs £ |  | Realised<br>/ Paid | Projected          | Total<br>£  |
|---------------------------|--|--------------------|--------------------|-------------|
|                           |  | NIL                | NIL                | NIL         |
|                           | <b>UNSECURED CREDITORS</b>             |                    |                    |             |
| (717,293.00)              | Trade & Expense Creditors              | NIL                | NIL                | NIL         |
| (15,400.00)               | HMRC - PAYE/NIC                        | NIL                | NIL                | NIL         |
| (97.00)                   | HMRC - VAT                             | NIL                | NIL                | NIL         |
| (25,731.00)               | Director's Loan Account - Mr S Milward | NIL                | NIL                | NIL         |
| (4,804.00)                | Other Creditors & Accruals             | NIL                | NIL                | NIL         |
| (15,232.00)               | Employees - Arrears of Pay             | NIL                | NIL                | NIL         |
| (78,607.00)               | Employees - Redundancy Pay & PILON     | NIL                | NIL                | NIL         |
|                           |  | NIL                | NIL                | NIL         |
|                           | <b>DISTRIBUTIONS</b>                   |                    |                    |             |
| (20,000.00)               | Ordinary Shareholders                  | NIL                | NIL                | NIL         |
|                           |  | NIL                | NIL                | NIL         |
| <u>(893,350.00)</u>       |  | <u>11,471.53</u>   | <u>(11,471.53)</u> | <u>0.00</u> |
|                           | <b>REPRESENTED BY</b>                  |                    |                    |             |
|                           | Vat Receivable                         | 7,129.42           | (7,129.42)         | NIL         |
|                           | Floating Charge Account                | 4,342.11           | (4,342.11)         | NIL         |
|                           |  | <u>11,471.53</u>   | <u>(11,471.53)</u> | <u>NIL</u>  |

NB The amounts stated are net of VAT

  
 Dean Nelson  
 Joint Administrator

**MILWARD CONSTRUCTION (BELPER) LIMITED (IN ADMINISTRATION)**

**THE JOINT ADMINISTRATORS' TIME COSTS DURING REVIEW PERIOD AND  
CUMULATIVE**

**MILWARD CONSTRUCTION (BELPER) LIMITED**

**BATES WESTON'S SUMMARY OF TIME SPENT IN THE PERIOD FROM 28 MAY 2015 TO 27 MAY 2018**

| CLASSIFICATION<br>OF WORK<br>FUNCTION | HOURS SPENT            |         |                               |                               |                | TOTAL<br>COSTS<br>£ | AVERAGE<br>HOURLY<br>RATE £ |
|---------------------------------------|------------------------|---------|-------------------------------|-------------------------------|----------------|---------------------|-----------------------------|
|                                       | Partners/<br>Directors | Manager | Other/Senior<br>Professionals | Assistants &<br>Support Staff | Total<br>Hours |                     |                             |
| Case Administration<br>and Planning   | 41.20                  | -       | 2.80                          | 0.10                          | 44.10          | 9,554.40            | 222.89                      |
| Investigations                        | 75.10                  | -       | 19.00                         | 50.40                         | 144.50         | 20,543.17           | 142.17                      |
| Realisation<br>of Assets              | 11.30                  | 3.40    | -                             | -                             | 14.70          | 3,148.00            | 214.15                      |
| Reporting                             | 1.10                   | -       | -                             | -                             | 1.10           | 253.00              | 230.00                      |
| Creditors                             | 13.00                  | -       | -                             | -                             | 13.00          | 2,881.00            | 221.62                      |
| <b>Total Hours</b>                    | 141.70                 | 3.40    | 21.80                         | 50.50                         | <b>217.40</b>  |                     |                             |
| <b>Total Costs £</b>                  | 29,453.00              | 595.00  | 2,989.57                      | 613.00                        |                | <b>36,379.57</b>    | <b>167.34</b>               |

**MILWARD CONSTRUCTION (BELPER) LIMITED**

**BATES WESTON'S SUMMARY OF TIME SPENT IN THE PERIOD FROM 28 NOVEMBER 2017 TO 27 MAY 2018**

| CLASSIFICATION<br>OF WORK<br>FUNCTION | HOURS SPENT            |         |                               |                               |                | TOTAL<br>COSTS<br>£ | AVERAGE<br>HOURLY<br>RATE £ |
|---------------------------------------|------------------------|---------|-------------------------------|-------------------------------|----------------|---------------------|-----------------------------|
|                                       | Partners/<br>Directors | Manager | Other/Senior<br>Professionals | Assistants &<br>Support Staff | Total<br>Hours |                     |                             |
| Case Administration<br>and Planning   | 4.00                   | -       | -                             | -                             | 4.00           | 928.00              | 232.00                      |
| Investigations                        | 6.00                   | 2.30    | -                             | -                             | 8.30           | 1,732.00            | 208.67                      |
| Realisation<br>of Assets              | -                      | -       | -                             | -                             | -              | -                   | -                           |
| Reporting                             | 0.30                   | -       | -                             | -                             | 0.30           | 69.00               | 230.00                      |
| Creditors                             | -                      | -       | -                             | -                             | -              | -                   | -                           |
| <b>Total Hours</b>                    |                        | 2.30    | -                             | -                             | <b>12.60</b>   |                     |                             |
| <b>Total Costs £</b>                  | -                      | -       | -                             | -                             |                | <b>2,729.00</b>     | <b>216.59</b>               |

MILWARD CONSTRUCTION (BELPER) LIMITED

SMITH COOPER'S SUMMARY OF TIME SPENT IN THE PERIOD FROM 28 MAY 2015 TO 27 MAY 2018

| CLASSIFICATION<br>OF WORK<br>FUNCTION | HOURS SPENT            |           |                               |                               |                | TOTAL<br>COSTS<br>£ | AVERAGE<br>HOURLY<br>RATE £ |
|---------------------------------------|------------------------|-----------|-------------------------------|-------------------------------|----------------|---------------------|-----------------------------|
|                                       | Partners/<br>Directors | Manager   | Other/Senior<br>Professionals | Assistants &<br>Support Staff | Total<br>Hours |                     |                             |
| Case Administration<br>and Planning   | 11.00                  | 37.50     | 71.80                         | 49.40                         | 169.70         | 23,880.85           | 140.72                      |
| Investigations                        | 28.90                  | 10.80     | 4.50                          | 11.65                         | 55.85          | 13,016.50           | 233.06                      |
| Realisation<br>of Assets              | 6.90                   | 7.30      | 2.10                          | 0.60                          | 16.90          | 4,027.30            | 238.30                      |
| Cashiering                            | 9.00                   | 5.30      | 0.30                          | 41.70                         | 56.30          | 7,585.20            | 134.73                      |
| Creditors                             | 19.30                  | 45.30     | 80.80                         | 17.7+0.2+0.2                  | 145.40         | 28,323.60           | 194.80                      |
| Total Hours                           | 75.10                  | 106.20    | 159.50                        | 103.35                        | 444.15         |                     |                             |
| Total Costs £                         | 23,470.10              | 19,305.40 | 20,435.68                     | 9,122.10                      |                | 76,833.45           | 172.99                      |

MILWARD CONSTRUCTION (BELPER) LIMITED

SMITH COOPER'S SUMMARY OF TIME SPENT IN THE PERIOD FROM 28 NOVEMBER 2017 TO 27 MAY 2018

| CLASSIFICATION<br>OF WORK<br>FUNCTION | HOURS SPENT            |          |                               |                               |                | TOTAL<br>COSTS<br>£ | AVERAGE<br>HOURLY<br>RATE £ |
|---------------------------------------|------------------------|----------|-------------------------------|-------------------------------|----------------|---------------------|-----------------------------|
|                                       | Partners/<br>Directors | Manager  | Other/Senior<br>Professionals | Assistants &<br>Support Staff | Total<br>Hours |                     |                             |
| Case Administration<br>and Planning   | 1.40                   | 9.57     | 1.20                          | 3.70                          | 15.87          | 2,737.17            | 172.47                      |
| Investigations                        | 1.50                   | 0.10     | -                             | -                             | 1.60           | 551.50              | 344.69                      |
| Realisation<br>of Assets              | -                      | -        | -                             | -                             | -              | -                   | -                           |
| Cashiering                            | 2.30                   |          | 0.70                          | 1.60                          | 4.60           | 1,050.00            | 228.26                      |
| Creditors                             | 0.40                   | 0.10     | 0.20                          | 0.20                          | 0.90           | 161.50              | 179.44                      |
| <b>Total Hours</b>                    | 5.60                   | 9.77     | 2.10                          | 5.50                          | <b>22.97</b>   |                     |                             |
| <b>Total Costs £</b>                  | 2,176.50               | 2,565.00 | 1,196.50                      | 495.00                        |                | <b>4,500.17</b>     | <b>195.92</b>               |

**MILWARD CONSTRUCTION (BELPER) LIMITED (IN ADMINISTRATION)**  
**CHARGE-OUT RATES AND BASES OF CATEGORY 2 DISBURSEMENTS**

## INFORMATION FOR CREDITORS IN RELATION TO FEES AND DISBURSEMENTS

### INFORMATION RELEVANT AT 1 APRIL 2017

|     |                   |
|-----|-------------------|
| W   | smithcooper.co.uk |
| F   | 01332 650290      |
| VAT | 123354934         |

#### General information to creditors regarding insolvency matters

Creditors wishing to understand or find out more information in relation to this or any other type of insolvency process may visit the website:

<http://www.creditorinsolvencyguide.co.uk/>

This website is a step-by-step guide designed to help creditors navigate their way through an insolvency process and has been produced by R3, the UK insolvency trade body.

A creditors' guide to the fees payable in an insolvency process and the process an insolvency practitioner is required to adopt for seeking approval of his or her fees may be acquired from the following website:

<https://www.r3.org.uk/what-we-do/publications/professional/fees>

If any party is unable to obtain a copy of either of the above guides, please contact the individual referred to below who will furnish you with a copy, free of charge:

- Contact – Emily Oliver
- Telephone – 01332 332021
- Email – [creditor.correspondence@smithcooper.co.uk](mailto:creditor.correspondence@smithcooper.co.uk)
- Post – St Helen's House, King Street, Derby, DE1 3EE

**Sent from: Smith Cooper, St Helen's House, King Street, Derby DE1 3EE**

Smith Cooper is the trading name of SC Advisory Services Limited, a company registered in England  
 Registered number 7678255  
 Registered Office: St Helen's House, King Street, Derby DE1 3EE  
 A list of directors is available for inspection at the above address.

Dean Anthony Nelson and Nicholas Charles Osborn Lee are licensed in the UK as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. Furthermore, they are both bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment. When acting as Receiver, Administrative Receiver or Administrator they act as agent only, without personal liability and when acting as Administrator, the affairs, business and property of the company are being managed by them.

Regulated by the Institute of Chartered Accountants in England & Wales for a range of investment business and consumer credit activities.



### Information specific to Smith Cooper

| Grade   | Charge out rate (£ per hour) |
|---|------------------------------|
| Partner   | 355                          |
| Director  | 255                          |
| Manager   | 190                          |
| Assistant Manager                               | 190                          |
| Senior Insolvency Administrator                 | 165                          |
| Administrator                                   | 130                          |
| Junior Administrator                            | 90                           |
| Cashier   | 90                           |
| Other   | 60                           |
| Time costs are calculated using 6 minute units. |                              |

The Office Holder does not recover the costs of support staff other than where their time is specifically incurred and can be identified in dealing with work undertaken on a specific engagement.

### Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

### Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1, being expenses directly referable to a third party, eg statutory advertising, external meeting room hire, specific bond insurance and courier costs, external archive, storage and subsequent destruction and Company Search fees, or Category 2, being expenses incurred by the firm and recharged to the estate, which may include a profit element, eg postage, stationery and storage.

Category 1 disbursements are recoverable in full from the estate without the prior approval of creditors. Category 2 disbursements are recoverable in full from the estate, subject to the basis of the disbursement allocation being approved by creditors in advance.

Category 2 disbursements are proposed to be recovered, subject to obtaining the requisite approval, as follows:-

|                                |   |
|--------------------------------|---|
| Postage                        | Charged at actual cost (first class)      |
| Photocopying                   | Recharged at 17p per sheet                |
| Storage                        | Charged at cost                           |
| Room Hire                      | £50 per meeting held Smith Cooper offices |
| Archiving case files & closure | Recharged at £42.70 per box               |
| Archiving records & closure    | Recharged at £9.55 per box                |
| Mileage                        | 45p per mile                              |

## MILWARD CONSTRUCTION (BELPER) LIMITED (IN ADMINISTRATION)

## DETAILS OF WORK UNDERTAKEN BY THE JOINT ADMINISTRATORS

| General Description                            | Includes   |
|--|--|
| Administration (including statutory reporting) |  |
| Statutory/advertising                          | Filing of documents to meet statutory requirements<br>Annual corporation tax returns<br>Quarterly VAT returns  |
| Document maintenance/file review/checklist     | Filing of documents<br>Periodic file reviews<br>Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards<br>Maintenance of statutory and case progression task lists/diaries<br>Updating checklists       |
| Bank account administration                    | Requesting bank statements<br>Bank account reconciliations<br>Correspondence with bank regarding specific transfers<br>Maintenance of the estate cash book<br>Banking remittances and issuing cheques/BACS payments                                |
| Planning/review                                | Discussions regarding strategies to be pursued<br>Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case   |
| Books and records / storage                    | Dealing with records in storage  |
| Creditor reports                               | Preparing six monthly progress reports,  |
| Investigations                                 |  |
| SIP 2 Review                                   | Reviewing company's books and records<br>Review of specific transactions and liaising with directors regarding certain transactions<br>Liaising with the major creditors about further action to be taken  |
| Litigation Recoveries                          | Strategy meeting regarding litigation<br>Liaising with solicitors regarding recovery actions<br>Attending to negotiations either by correspondence or meetings<br>Attending to settlement matters<br>Receiving and accounting for settlement funds |
| Realisation of Assets                          |  |
| Debtors and retentions                         | Correspondence with debtors regarding refunds  |
| Creditors (claims and distribution)            |  |
| Creditor communication                         | Receive and follow up creditor enquiries via telephone<br>Review and prepare correspondence to creditors and their representatives via email   |
| Dealing with proofs of debt (POD)              | Receipting and filing POD when not related to a dividend   |
| Processing proofs of debt                      | Preparation of correspondence to potential creditors inviting submission of POD<br>Receipt of POD  |
| Quasi Creditors Committee                      | Reporting to Quasi committee members   |