

## **TO ALL MEMBERS AND ALL CREDITORS WHO ARE NOT OPTED OUT**

26 September 2019

Direct line: 0161 234 0507  
Please ask for Amanda Scuffham  
Email: AScuffham@uk.ey.com

Dear Sirs

### **Integrated Building Services Engineering Consultants Limited (in Creditors' Voluntary Liquidation) ('the Company')**

R H Kelly and I were appointed as Joint Liquidators of the Company on 27 January 2011. In accordance with section 106 of the Insolvency Act 1986 and Rule 6.28 of the Insolvency (England and Wales) Rules 2016, I am now in a position to provide you with a copy of my final account and formal notice that the Company's affairs are fully wound up.

At Appendix A of this report we provide information about the Company and the Liquidators and formal notice of completion of the winding up. A copy of our receipts and payments account for the period from 27 January 2019 to 23 September 2019 is at Appendix B.

#### **Progress during the period of the report**

##### ***Final distribution to non-preferential creditors***

Following a first dividend to non-preferential creditors of c.27.5 pence in the pound on 26 August 2016, the Joint Liquidators declared a second and final dividend to non-preferential creditors of 0.32 pence in the pound on 19 June 2019.

As outlined in our previous report, additional asset realisations since the first distribution enabled a second and final distribution to be made, contributing to a total return to non-preferential creditors of c.28 pence in the £.

The total amount paid to non-preferential creditors in the Liquidation is £1,734,771. As all secured creditors have been paid in full, the prescribed part has no effect on distributions to non-preferential creditors and is therefore not required to be separately accounted for.

#### **Joint Liquidators' remuneration**

The Joint Liquidators' remuneration was fixed by a resolution of the creditors of the Company at the meeting held on 6 December 2011. Remuneration is fixed by reference to the time properly given by the Liquidators and their staff in attending to matters arising in the Liquidation and may be drawn on account during the course of the Liquidation. The fees for the Liquidation are charged at a discount of 10% to the Liquidators' standard hourly charge out rates.

During the period covered by this report, we have incurred time costs of £27,069. Since our appointment on 27 January 2011, we have incurred time costs of £379,818. Of this sum, £303,574 has been paid including £66,574 during the period covered by this report. This is further outlined in the table below:

	As at date of previous report (£)	During the period of this report (£)	Total (£)
Time costs incurred	352,749	27,069	379,818
Time costs incurred including a discount of 10%	317,474	24,362	341,836
Remuneration drawn	237,000	66,574	303,574
Total remuneration drawn as a % of total time			80%

Our time costs during the Liquidation have related principally to the following matters:

- ▶ Reviewing and agreeing the claims of creditors; and
- ▶ Statutory requirements including completion of HMRC returns and reports to creditors.

At Appendix C to this report there is an analysis of the time spent and an explanation of the work done.

### **Joint liquidators' statement of expenses incurred**

During the period covered by this report, we have incurred expenses and Category 1 disbursements totalling £5,109 and £434 plus VAT respectively.

There is a breakdown of expenses and disbursements incurred in this period and to date at Appendix D of this report.

### **Creditors' rights to further information about, and challenge, remuneration and expenses**

The statutory provisions relating to remuneration are set out in Chapter 4, Part 18 of the Insolvency (England and Wales) Rules 2016. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Liquidators' Fees', a copy of which may be accessed from the web site of the Institute of Chartered Accountants in England and Wales at <https://www.icaew.com/technical/insolvency/understanding-business-restructuring-and-insolvency/creditors-guides>. To access the document, select 'Previous guides: England and Wales – effective before 6 April 2017', then 'Liquidators' fees', then select the appropriate guide according to the date of winding up of the company. Alternatively, a copy of the guide is available in hard copy upon written request to the Joint Liquidators.

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if creditors consider the costs to be excessive (Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016). Further information is provided in 'A Creditors' Guide to Liquidators' Fees' referred to above.

### **Closure of the liquidation**

Following the final distribution to non-preferential creditors, we commenced preparations to close the Liquidation of the Company.



Following delivery of this final account to all creditors and members, we intend to vacate office within the next 9 weeks. Please refer to the notice in Appendix A for further information.

Should you have any queries with any of the matters outlined in this report, please do not hesitate to contact my colleague Amanda Scuffham on 0161 234 0507.

Yours faithfully  
for the Company

A handwritten signature in black ink, appearing to read 'C. G. J. King', with a horizontal line underneath.

C G J King  
Joint Liquidator

The affairs, business and property of the Company are being managed by the Joint Liquidators, Robert Hunter Kelly and Charles Graham John King. As licensed insolvency practitioners, Robert Hunter Kelly and Charles Graham John King are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the Liquidation.

Robert Hunter Kelly is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants of Scotland and Charles Graham John King is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants in England and Wales.

The Joint Liquidators may act as data controllers of personal data as defined by the General Data Protection Regulation 2016/679, depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidator's appointment. The Office Holder Data Privacy Notice can be found at [www.ey.com/uk/officeholderprivacy](http://www.ey.com/uk/officeholderprivacy).

**Integrated Building Services Engineering Consultants Limited (t/a Operon)  
(in Creditors' Voluntary Liquidation)**

**Final account prior to dissolution – notice to creditors under Rule 6.28 of the Insolvency  
(England and Wales) Rules 2016**

Registered office address of the Company:	Ernst & Young LLP 1 Bridgewater Place Water Lane Leeds LS11 5QR
Registered number:	02036424
Date of appointment of the Joint Liquidators:	27 January 2011
Details of any changes of liquidator:	None
Full names of the Joint Liquidators:	Robert Hunter Kelly and Charles Graham John King
Office holder numbers:	8582 and 8985
Liquidators' address:	Ernst & Young LLP 1 Bridgewater Place Water Lane Leeds LS11 5QR
Telephone number:	0161 234 0507
Name of alternative person to contact with enquiries about the case:	Amanda Scuffham

**We give notice of the following, in accordance with Rule 6.28:**

- (a) The company's affairs are fully wound up
- (b) Creditors have the right to request from the Liquidators information about their remuneration and expenses under Rule 18.9 of the Insolvency (England and Wales) Rules 2016
- (c) Creditors have the right to challenge the Liquidators remuneration and expenses under Rule 18.34
- (d) A creditor may object to the release of the Liquidators by giving notice in writing to the Liquidator before the end of the prescribed period
- (e) The prescribed period is the period ending at the later of:
  - a. Eight weeks after delivery of the notice; or
  - b. If any request for information under Rule 18.9 or any application to court under that Rule or Rule 18.34 is made when that request or application is finally determined;
- (f) That the Liquidator will vacate office under s.171 on delivering to the registrar of companies the final account and notice saying whether any creditor has objected to release; and
- (g) That the Liquidator will be released under s.173(b) at the same time as vacating office unless any of the company's creditors objected to the Liquidator's release

Dated: 26 September 2019



C G J King  
Joint Liquidator

**Integrated Building Services Engineering Consultants Limited (t/a Operon)  
(in Creditors' Voluntary Liquidation)**

**Joint liquidators' receipts and payments account for the period from 27 January 2019 to 23 September 2019**

	27 January 2011 to 26 January 2019	27 January 2019 to 23 September 2019	Total
	£	£	£
<b>Receipts</b>			
Administrators' surplus	1,394,236	-	1,394,236
Corporation tax terminal loss relief	195,739	-	195,739
Europa debts	181,682	-	181,682
Intercompany debtor	219,925	-	219,925
Pihl settlement	124,070	-	124,070
Utilities refund	125,304	-	125,304
Contract sales	75,000	-	75,000
Prepayments & other debts	45,820	-	45,820
Refund of charges	35,124	-	35,124
Sundry income	1,402	-	1,402
Sundry debtors	39,572	-	39,572
Contribution to deed of assignment	6,000	-	6,000
Pension refund	12,750	-	12,750
Bank interest	40,978	-	40,978
ISA interest	156	-	156
Corporation tax	3,721	-	3,721
<b>Total receipts</b>	<b>2,501,479</b>	<b>-</b>	<b>2,501,479</b>
<b>Payments</b>			
Legal fees	175,502	-	175,502
Preferential creditors	132,074	-	132,074
Liquidators' fees	237,000	66,574	303,574
Debt collection commission	60,222	-	60,222
Administrators' fees	29,779	-	29,779
Professional fees	25,671	-	25,671
Corporation tax	10,043	-	10,043
Liquidators' disbursements	4,418	6,735	11,153
Administrators' disbursements	93	-	93
Legal disbursements	1,157	-	1,157
Storage charges	10,549	4,237	14,787
ISA cheque/banking fees	1,493	669	2,163
Irrecoverable VAT	-	202	202
Public notices	237	-	237
Bank charges	46	1	47
Distribution to unsecured creditors	1,705,975	28,796	1,734,771
<b>Total payments</b>	<b>2,394,259</b>	<b>107,215</b>	<b>2,501,475</b>
<b>Net realisations</b>	<b>107,220</b>	<b>( 107,215)</b>	<b>4</b>
<b>Funds held:</b>			
Cash at Bank			4
			<u>4</u>

**Notes**

- Receipts and payments are stated net of VAT.
- The Joint Liquidators remuneration was fixed by a resolution of the creditors of the Company at the meeting held on 6 December 2011. Remuneration is fixed by reference to the time properly given by the Liquidators and their staff in attending to matters arising in the Liquidation and may be drawn on account during the course of the Liquidation. The fees for the Liquidation are charged at a discount of 10% to the Liquidators' standard hourly charge out rates.

- As all secured creditors have been paid in full in the preceding administration, the prescribed part has no effect on distributions to non-preferential creditors and is therefore not required to be separately accounted for.
- Distributions to preferential creditors totalled £132,074 in the Liquidation which comprised of a single full and final payment.
- Distributions to non-preferential creditors totalled £1,734,771 in the Liquidation which comprises a total return to non-preferential creditors of c.28 pence in the £.
- Accordingly the total amount paid to creditors in the Liquidation is £1,866,845.
- The remaining balance in hand of c.£4 will be retained by the bank (as bank charges) when the bank account is closed.

**Integrated Building Services Engineering Consultants Limited (t/a Operon)  
(in Creditors' Voluntary Liquidation)**

**Joint Liquidators' time costs from 27 January 2019 to 23 September 2019**

Hours	Partner / Director	Assistant Director	Senior Executive	Executive	Analyst	Total hours for the period	Total time cost for the period (£)	Average hourly rate for the period (£)	Cumulative time cost to date (£)
Accounting and Administration	-	-	-	2.9	-	2.9	993	342	50,466
Bank & Statutory Reporting	-	-	-	-	-	-	-	-	31,565
Creditors	2.0	-	-	26.1	2.0	30.1	10,483	348	197,204
Other Matters	-	-	-	-	-	-	-	-	9,648
Statutory Duties	-	2.5	-	41.0	-	43.5	15,105	347	22,388
VAT & Taxation	-	-	-	1.5	-	1.5	488	325	24,565
Debtors	-	-	-	-	-	-	-	-	12,793
Employee Matters	-	-	-	-	-	-	-	-	8,943
Immediate Tasks	-	-	-	-	-	-	-	-	1,050
Investigation/CDDA	-	-	-	-	-	-	-	-	105
Legal Issues	-	-	-	-	-	-	-	-	11,730
Members	-	-	-	-	-	-	-	-	672
Other Assets	-	-	-	-	-	-	-	-	975
Property	-	-	-	-	-	-	-	-	7,717
<b>Total hours for the period</b>	2.0	2.5	-	71.5	2.0	78.0			
<b>Total time cost for the period</b>	1,570	1,525	0	23,603	370		27,069		
<b>Average hourly rate for the period (£)</b>	785	610	0	330	185			347	
<b>Cumulative time cost to date (£)</b>	55,411	27,153	18,835	149,261	128,157				379,818

Note: time is charged in six minute intervals

**Narrative explanation of work done and why it was necessary to be done**

<b>Category of work</b>	<b>Description of work</b>
Accounting & Administration	<ul style="list-style-type: none"> <li>▶ Overall management of the cases, treasury and accounting functions, statutory compliance diaries and time cost reporting.</li> </ul>
Bank and Statutory Reporting	<ul style="list-style-type: none"> <li>▶ Preparing annual progress reports, sending to creditors and filing at Companies House.</li> <li>▶ Preparing the final account, sending to creditors and filing at Companies House before vacating office.</li> </ul>
Creditors	<ul style="list-style-type: none"> <li>▶ Receipt and recording of creditor claims.</li> <li>▶ Correspondence with creditors of the Company. Calculating the Company's net property and Prescribed Part to be set aside and any final surplus, as appropriate.</li> <li>▶ Agreeing and adjudicating upon the claims of unsecured creditors.</li> <li>▶ Making distributions to and corresponding with creditors following any distributions.</li> </ul>
Debtors	<ul style="list-style-type: none"> <li>▶ Time spent in relation to the realisation / collection of debtors or managing collection agents instructed to act on behalf of the office holders.</li> <li>▶ Write-off of bad debts, continued liaison with the liquidators / administrators of bad debtors in relation to a partial realisation.</li> <li>▶ Legal matters concerning the collection of book debts.</li> </ul>
Employee Matters	<ul style="list-style-type: none"> <li>▶ Calculating and agreeing employees' unsecured creditor claims.</li> <li>▶ Calculating and paying dividends on claims and accounting for tax and National Insurance where appropriate on dividend payments.</li> <li>▶ Reviewing and agreeing claims submitted by the RPS and paying dividends as appropriate.</li> </ul>
Immediate tasks	<ul style="list-style-type: none"> <li>▶ Completion of work streams requiring immediate attention following the appointment of the Joint Liquidators.</li> </ul>
Investigations/CDDA	<ul style="list-style-type: none"> <li>▶ Investigations into the Company's affairs in accordance with Statement of Insolvency Practice Number 2, Investigations by Office Holders, and the Company Directors Disqualification Act 1986.</li> </ul>
Legal issues	<ul style="list-style-type: none"> <li>▶ Managing any legal issues arising within the liquidation.</li> </ul>
Members	<ul style="list-style-type: none"> <li>▶ All communications with members excluding the work which falls under bank and statutory reporting (i.e. periodic reports to members)</li> </ul>
Other assets	<ul style="list-style-type: none"> <li>▶ Communication with various parties and application of realisation strategy in relation to all other assets excluding property and debtors.</li> </ul>
Other matters	<ul style="list-style-type: none"> <li>▶ Dealing with ad-hoc queries from the various stakeholders of the Company.</li> </ul>
Property	<ul style="list-style-type: none"> <li>▶ All leasehold and freehold issues including:             <ul style="list-style-type: none"> <li>▶ Sale of property /assignment of lease</li> <li>▶ Release of securities from fixed charge lenders</li> <li>▶ Disclaimer of onerous leasehold property</li> <li>▶ All correspondence with legal advisors in relation to the property issues identified</li> <li>▶ Dealing with any liabilities arising as a result of the company owning property</li> <li>▶ Recovery of retentions due</li> </ul> </li> </ul>
Statutory Duties	<ul style="list-style-type: none"> <li>▶ Completion of statutory requirements of the Liquidation, including notifications to creditors and members, advertising the appointment and holding annual meetings of the creditors and the Company.</li> </ul>
VAT & Taxation	<ul style="list-style-type: none"> <li>▶ Preparing annual corporation tax and quarterly VAT returns, with input from EY VAT and tax specialists in respect of periods covered by the Liquidation and preceding Administration.</li> <li>▶ Assessment of the VAT and tax treatment of transactions and agreements entered into during the Liquidation and preceding Administration.</li> <li>▶ Deregistering for VAT and claiming any post de-registration VAT incurred.</li> </ul>

## Integrated Building Services Engineering Consultants Limited (t/a Operon) (in Creditors' Voluntary Liquidation)

### Summary of Joint Liquidators' expenses incurred

Statement of Insolvency Practice 9 (SIP 9) defines expenses as amounts properly payable from the insolvency estate which are not otherwise categorised as office holders' remuneration or distributions to creditors.

#### Payments made from the estate which are not disbursements

Type of expense	Paid (as at date of previous report)	Paid in this report period (nil expenses outstanding)	Total
Legal fees	175,502	-	175,502
Debt collection commission	60,222	-	60,222
Administrators' fees	29,779	-	29,779
Professional fees	25,671	-	25,671
Corporation tax	10,043	-	10,043
Administrators' disbursements	93	-	93
Legal disbursements	1,157	-	1,157
Storage charges	10,549	4,237	14,786
ISA cheque/banking fees	1,493	669	2,162
Irrecoverable VAT on residual funds taken as Liquidators' fees/disbursements	-	202	202
Public notices	237	-	237
Bank charges	46	1	47
<b>Total</b>	<b>314,792</b>	<b>5,109</b>	<b>319,901</b>

#### Disbursements

SIP 9 defines disbursements as a type of expense which is met by, and reimbursed to, an office holder in connection with an insolvency appointment. Disbursements fall into two categories: Category 1 and Category 2.

- Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the appointment
- Category 2 disbursements are expenses which are directly referable to the appointment but not a payment to an independent third party. They may include shared and allocated costs.

Category 1 disbursements of £433.91 (postage and printing costs) were incurred during the period of this report. Category 1 disbursements of £11,311.20 have been incurred during the Liquidation against which £11,153 has been drawn. Category 1 disbursements incurred in the Liquidation are summarised in the table below. To date, no Category 2 disbursements have been incurred.

Type of expense	Total £
Courier services	64.95
Postage and printing	10,686.29
Travel	509.50
Sundry	50.46
<b>Total</b>	<b>11,311.20</b>