



# Parker Walsh

## TO ALL KNOWN CREDITORS

31 August 2022

Dear Sirs

### **Ibuild Contracting Services Limited (“the Company”) Decision Date: 8 September 2022**

I refer to my letter of 3 August 2022 giving you notice of a decision procedure to appoint a Liquidator to the Company.

I now enclose a copy of the Company’s Statement of Affairs, which is a schedule of assets and liabilities of the Company, together with some explanatory information about the Company and its affairs.

You will note that the statement of affairs enclosed includes personal data in the form of the names and addresses of individual creditors, together with the amounts owed to them. The directors are required to include this information in the statement of affairs, and send a copy to all known creditors, by virtue of section 99 and 100 of the Insolvency Act 1986 and rules 6.3, 6.4 and 6.14 of the Insolvency (England and Wales) Rules 2016. As a result, this is a valid use of the personal data of individual creditors, and it is not a breach of the General Data Protection Regulations (GDPR).

A sum of £7,500 plus VAT has been paid by the Company to Parker Walsh in respect of the instructions given to prepare a Statement of Affairs and to seek a decision from the creditors on the appointment of a Liquidator.

Please note that when carrying out all professional work relating to an insolvency appointment, Insolvency Practitioners are bound by the Insolvency Code of Ethics, as well as by the regulations of their professional body.

Prior to being asked by the Board to assist in this matter, no partners, directors or employee of Parker Walsh had any connection with Ibuild Contracting Services Limited or its directors or members that would give rise to any threats to the fundamental principles under the Code of Ethics.

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Parker Walsh is the trading name of Parker Walsh Corporate Recovery Limited, incorporated and registered in England and Wales under Company Registration Number: 13430485. Please note that Molly Monks is licensed to act as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association and bound by the Insolvency Code of Ethics.

Parker Walsh uses personal information in order to fulfil the legal obligations of Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information contained within the Privacy Notice which is available at [www.parkerwalsh.co.uk](http://www.parkerwalsh.co.uk)



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If you have any queries regarding this letter, you should contact Molly Monks by email at [info@parkerwalsh.co.uk](mailto:info@parkerwalsh.co.uk), or by phone on 0161 546 8143.

Yours sincerely

A handwritten signature in black ink, appearing to read 'MOLLY MONKS', with a long horizontal line extending to the right.

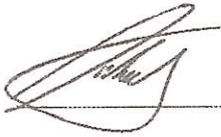
**Molly Monks M.I.P.A**  
**Insolvency Practitioner**

**IBUILD CONTRACTING SERVICES LIMITED ("THE COMPANY")**

**COMPANY REGISTRATION NO: 09188733**

The Board of Directors of the above-named Company confirm that the attached explanatory information to be delivered to the creditors is approved and reflects the information to the best of the Board's knowledge and belief.

Signed

A handwritten signature in black ink, appearing to be 'S. J. ...', written over a horizontal dotted line.

For and on behalf of the Board of Directors

Dated:

31/08/22

## **EXPLANATORY INFORMATION FOR THE CREDITORS OF**

### **IBUILD CONTRACTING SERVICES LIMITED**

#### **DECISION DATE FOR THE APPOINTMENT OF A LIQUIDATOR: 8 SEPTEMBER 2022**

This explanatory information is designed to supplement the Statement of Affairs prepared by the Directors and to provide creditors with sufficient information so that they can make an informed decision in respect of the appointment of a Liquidator.

Please note that this is the Directors report, and the content is based on information and explanations provided by the Directors and available records. An independent verification has not been performed at this stage by Parker Walsh.

#### **STATUTORY INFORMATION**

The Company was incorporated on 28 August 2014 in the name Ibuild Contracting Services Limited and the Company Registration No. is 09188733.

The Company has not had any other names since incorporation.

The Company's business was that of building completion and finishing.

The registered office has been located as follows:

<b>From</b>	<b>To</b>	<b>Registered Office Address</b>
29 October 2019	Present	116 Duke Street, Liverpool, Merseyside, L1 5JW
11 October 2018	29 October 2019	30 Crosby Road, North Liverpool, L22 4QF
22 August 2017	11 October 2018	81-83a Allerton Road, Liverpool, Merseyside L18 2DA
6 January 2017	22 August 2017	433 Liverpool Road, Huyton, Liverpool, Merseyside, L36 8HT
Incorporation	6 January 2017	14 Ashleigh Road, Maghull, Liverpool, Merseyside, L31 3EA

The Company traded from Unit 3, Kirkby Bank Road, Liverpool, L33 7SY.

The authorised share capital is 200 shares of £1 each, of which all have been issued and fully paid as follows:

<b>Name of Member</b>	<b>Share</b>	<b>Type</b>	<b>Percentage</b>
Alan Bennett	45	A	22.5
Alan Bennett	45	E	22.5
Alan Bennett	5	F	2.5
Kimberley Bennett	5	B	2.5
Ashley Michael	45	C	22.5
Ashley Michael	45	G	22.5
Ashley Michael	5	H	2.5
Lyndsey Michael	5	D	2.5
Total	200		100

The officers of the Company have been as follows: -

<b>Name</b>	<b>Position</b>	<b>Appointed</b>
Alan Bennett	Director	Incorporation
Ashley Michael	Director	Incorporation

## **OTHER INFORMATION**

Bankers: Natwest Bank plc, Hillfoot Road, Liverpool, L25 0ND

Security held: A fixed and floating charge in favour of Reward Capital Limited, Central House, 47 St Pauls Street, Leeds, LS1 2TE

Created: 16 December 2021

Delivered: 20 December 2021

Status: Outstanding, however, the Directors confirmed that the facility has been transferred to another company and no sums are due.

Accountants: Cobham Murphy, 116 Duke Street, Liverpool, Merseyside, L1 5JW

Associated companies: Woolton Road Limited (CN: 12922460)

GBM Developments Limited (CN: 10729433)

## HISTORY

The Company supplied and installed partitions, ceilings, and plastering in commercial construction buildings for main contractors within the construction industry.

Ashley Michael and Alan Bennett, who have a combined 21 years' experience in the construction industry, started the Company in 2014. At the time of incorporation both Directors were qualified Quantity Surveyors with commercial and operational experience working for Main Contractors and Sub Contractors.

Both Directors acquired £10,000 personal loans and this was used as start up capital and then in October 2021 a £5,000 overdraft from NatWest was granted.

The Company first traded from residential addresses as the business was carried out on site.

The main people running the business were the two Directors and three key project managers who ran the operations on site. All other were sub-contractors or self-employed.

The business had a steady and gradual growth from 2015 to 2017 with turnover growing by £100,000. In 2018, the Company secured a contract which was worth £200,000 which was delivered successfully. Following completion, the Company secured another order for £1.04m with the same client that ran from 2018-2020. At the end of 2020 the Company secured another contract with a different client for the sum of £1.7m and then in 2021 a £3m order was secured with the same client which was finalised shortly before the Company ceased trading.

A number of factors caused the Company's demise, the first being that the Company agreed to a fixed with the client for £3m in May 2021. Between May and June 2022, material prices had increased by 42.5% and in order to honour the contractual agreement the Company had no alternative but to purchase materials at losses the Company could not sustain. Moreover, it had become increasingly difficult to source material due to complications with importing products. Material was in short supply as a result of staff being furloughed during Covid-19, resulting in the delays with the manufacturing process. During the same period, labour rates had increased by 35% due to demand for specialist tradesman. It proved difficult to find to find circa 50 tradesmen at one time to facilitate the project; all of whom demanded payment that was significantly higher than the market rate. Consequently, the client was withholding funds as it was deemed the Company was behind the scheduled programme due to insufficient labour resource. The Company made a project manager role redundant in an attempt to cut costs, but the role was vital in managing the projects on site.

## TRADING RESULTS

The most recent accounts prepared for the Company show:

### ABBREVIATED BALANCE SHEET

	Y/E 31 December 2020	Y/E 31 December 2019	Y/E 31 December 2018
<b>Fixed Assets</b>			
Tangible assets	30,822	12,784	19,684
<b>Current Assets</b>			
Stocks	-	-	29,100
Debtors	1,327,864	435,418	245,192
Cash at Bank	166,491	155,897	96,635
<b>Creditors</b> – Amounts falling due after more than one year	(236,176)	(4,177)	(10,036)
<b>Net Assets</b>	529,353	192,211	146,578
<b>Capital and Reserves</b>	529,353	192,211	146,578

## INSOLVENCY

The Director attribute the failure of the Company on the increase in the costs and lack of materials and shortage of tradesmen.

The Director sought advice from a licensed insolvency practitioner. Parker Walsh were instructed by Ashley Michael on 2 August 2022 to assist in preparing a Statement of Affairs, convening a meeting of the Company's members, and seeking a decision from the creditors on the appointment of a Liquidator.

A payment of £7,500 plus VAT has been paid by the Company to Parker Walsh Corporate Recovery Limited in for the instructions given to prepare a Statement of Affairs and to seek a decision from the creditors on the appointment of a Liquidator.

## STATEMENT OF AFFAIRS

Parker Walsh assisted the Directors in preparing an Estimated Statement of Affairs. A copy of the Estimated Statement of Affairs was delivered to creditors with this explanatory information.

## INSOLVENCY PRACTITIONER'S COMMENTS ON THE STATEMENT OF AFFAIRS

Molly Monks of Parker Walsh would comment on the Statement of Affairs as follows:

## **Assets**

### Cash at Bank

The Company operated a business account with the Natwest Bank plc and it is currently £3,000 in credit.

### Retentions

There are two retentions and R&D credit due to the company totalling £119,473, however as the Company has ceased trading and the projects were unfinished it is unlikely that these funds will be realised.

## **Liabilities**

### Secured Liabilities

According to the information lodged at Companies House, there is a fixed and floating charge in favour of Reward Capital Limited which was created on 16 December 2021 and delivered on 20 December 2021. Although, this is listed as an outstanding charge the Directors confirmed that the facility has been transferred to another company and therefore no funds are due.

### Secondary Preferential Liabilities

HM Revenue & Customs are secondary preferential creditors for certain specified debts, such as VAT, PAYE, employee National Insurance Contributions (NIC), student loan deductions and Construction Industry Scheme deductions. Secondary preferential debts are payable after all ordinary preferential debts have been paid in full, and before non-preferential unsecured debts. It is estimated that £117,334 is owed to HM Revenue & Customs in respect of secondary preferential debts, being CIS and PAYE.

### Prescribed Part

There are provisions of the insolvency legislation that require a Liquidator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property" ("prescribed part"). A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. Any costs of the liquidation that are payable before the Liquidator has reached a position to make a distribution to the floating charge holder have to be deducted from floating charge realisations before arriving at an amount for the "net property" of the Company. As a result, the costs associated with realising floating charge assets, paying preferential claims in full, the general costs of winding up and the costs of confirming the validity of the floating charge will have to be deducted before the "net property" is calculated. The "prescribed part" that the Liquidator then has to set aside for unsecured creditors is:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £600,000.

As the charge has been transferred from the Company, the prescribed part provisions will not apply.

#### Unsecured Liabilities

Trade & Expense Creditors – There are 15 trade creditors owed £442,238.

Bank - The Natwest Bank Plc are owed £195,833.

Employee - One of the Director's as an employee is understood to be owed redundancy pay and pay in lieu of notice.

#### Dividend Prospects

Dividend prospects are dependent on the level of asset realisations, costs of the liquidation and the level of creditors claims. Based on the information currently available, it is anticipated that there will be insufficient fund to enable a distribution to be made to the creditors of the Company in this instance. However, please note that it is always difficult to predict the dividend prospects at this stage and creditors are still urged to submit details of their claims.

#### **Comments on Material Transactions in the previous 12 months**

The following material transaction involving the Company took place (other than in the ordinary course of business) during the 12 months prior to the winding up resolution:

#### Motor Vehicle

Mr Mark Isaacs BSc (Hons.) FRICS, Director of JPS Chartered Surveyors ("JPS"), a firm of professional, independent valuation agents were instructed to provide a desktop valuation of the Company's tangible assets for the purposes of the Estimated Statement of Affairs.

JPS were advised that the tangible assets as at 20 July 2022 consisted of Ford Ranger D/C Pick-Up Wildtrak 2 subject to a Hire Purchase agreement with Hitachi Capital (UK) Business Finance with an outstanding balance of £13,568.10.

JPS adopted the following bases of valuation, as appropriate for the purpose of the valuation:

- Market Value - as a whole for use in their working place.
- Market Value - as individual items for decommissioning and removal from the premises at the expense of the purchaser.
- Market Value - subject to a marketing constraint as individual items for removal from the premises at the expense of the vendor.

The valuation as at 20 July 2022 is as follows:

<b>Assets Summary Description</b>	<b>Market Value (as a whole for use in their working place)</b>	<b>Market Value (as individual items for removal from the premises at the expense of the purchaser)</b>	<b>Market Value (subject to a Marketing Constraint)</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Encumbered	20,850.00	20,750.00	20,650.00
Total			
Less Equity Settlement	14,124.07	14,124.07	14,124.07
Estimated Equity	6,725.93	6,625.93	6,525.93

Webber NW Limited expressed an interest in acquiring the Company's tangible assets. An offer of £6,200 plus VAT along with the hire purchase equity was made and executed on 1 August 2022. The sale consideration was paid in full.

The Company entered into this transaction whilst I was advising the Board, but I do not consider that this will prevent me from acting objectively in assessing whether the transaction represented the best way of maximising the realisation of the assets of the Company as I am aware that the Board took the advice of JPS before entering into the transaction. Based on the valuation figures provided by JPS, Parker Walsh are of the opinion that given the value of the motor vehicle (which is not guaranteed) should it have been collected and sold subject to marketing restraints would outweigh any benefit in selling to a third party. Regardless, I will carry out an investigation to ensure that the sale took place in line with the valuation obtained and as Liquidator I will consider the appropriateness of this transaction.

From the sale consideration, a part payment of £5,560 plus VAT has been paid by the Company to Parker Walsh in respect of the instructions given to prepare a Statement of Affairs and to seek a decision from the creditors on the appointment of a Liquidator. The Company also paid JPS a sum of £620 plus VAT for the valuation and sale and £20 plus VAT for a HPI check.

## Deficiency Account

A deficiency account is attached for the period from 31 December 2020 to 31 August 2022

### ESTIMATED DEFICIENCY ACCOUNT

for the period from 31 December 2020 to 31 August 2022

	£	£
Profit and Loss Account Balance at 31 December 2020 (Filed micro accounts)		529,353
Exceptional losses incurred or amounts written off since the date of the last accounts:		
Retentions	119,473	
Redundancy and pay in lieu of notice claims falling due on liquidation	8,355	
		127,828
Estimated trading profit/(loss) for the period 31 December 2020 to 31 August 2022		(657,181)
Deficiency as per the Estimated Statement of Affairs		(760,962)

# STATEMENT OF AFFAIRS

Statement as to the affairs of

Ibuild Contracting Services Limited

Company Registered Number: 09188733

on the 31 August 2022, being a date not more than 14 days before the date of the resolution for winding up

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## Statement of Truth

I believe that the facts stated in this Statement of Affairs are true. I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

Full Name

Ashley Michael

Signed



Dated

31/08/22

Ibuild Contracting Services Limited(Registered Number - 09188733)

Statement of Affairs as at 31 August 2022

Description	Book Value	Estimated to Realise	
	£	£	£
<b>Assets</b>			
<b>Uncharged assets:</b>			
Cash on Hand or Float	3,000.00		3,000.00
Book Debts	119,473.00		NIL
<b>Estimated total assets available for Preferential Creditors</b>			<b>3,000.00</b>
<b>Liabilities</b>			
<b>Preferential Creditors</b>			
			NIL
<b>Surplus Regards Preferential Creditors</b>			<b>3,000.00</b>
<b>2nd Preferential Creditors</b>			
2nd Preferential Creditors		117,334.37	
			(117,334.37)
<b>Estimated deficiency/surplus as regards 2nd preferential creditors</b>			<b>(114,334.37)</b>
<b>Floating Charge Debts Pre 15/09/2003</b>			
Debts secured by floating charges pre 15 September 2003			
Floating Charge Creditors Pre 15/09/2003			
			NIL
<b>Deficiency / surplus of assets regards floating charges pre 2003</b>			<b>(114,334.37)</b>
<b>Floating Charge Debts Post 14/09/2003</b>			
Debts secured by floating charges post 14 September 2003			
Floating Charge Creditors Post 14/09/2003			
		1.00	
			(1.00)
<b>Deficiency / surplus of assets regards floating charges post 2003</b>			<b>(114,335.37)</b>
<b>Total assets available to unsecured creditors</b>			
			<b>0.00</b>
<b>Unsecured Creditors (excluding floating charge shortfall)</b>			
Unsecured Creditors (Count = 17)		638,071.43	
Unsecured Employees (Count = 1)		8,355.00	
			(646,426.43)
<b>Unsecured Creditors (excluding floating charge shortfall post 14/09/2003)</b>			<b>(646,426.43)</b>
<b>Floating Charge Deficit</b>			
			(114,335.37)
<b>Estimated deficiency/surplus as regards creditors</b>			<b>(760,761.80)</b>
<b>Share Capital</b>			
Other Classes		200.00	

Signature



Date 31/08/22

Description	Book Value	Estimated to Realise	
	£	£	£
			(200.00)
<b>Total Surplus/(Deficiency)</b>			<b>(760,961.80)</b>

Signature  \_\_\_\_\_ Date 31/08/22

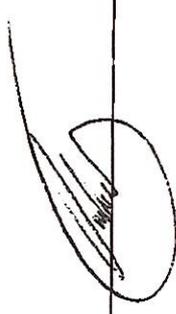
**Company Creditor - Schedule B - Creditors**  
**Ibuild Contracting Services Limited (Registered Number - 09168733)**

Key	Name	Address	£
CC0000	CRK Commercial Insurance Limited	12 Midland Court, Central Park, Lutterworth, Leicestershire, LE17 4PN	16,324.08
CE0000	Encon Insulation Limited	Brunswick House, 1 Deighton Close, Wetherby, West Yorkshire, LS22 7GZ	36,188.70
CF0000	Falcon Panel Products Limited	Unit C, Doranda Way Industrial Park, West Bromwich, West Midlands, B71 4LE	6,453.00
CG0000	Galaxy Insulation & Dry Lining	Unit M, Haydock Cross, WA11 9UX	57,912.45
CH0000	H M Revenue & Customs	EIS NCL, BX9 1SR	117,334.37
CH0001	Hammond Shop Hire Limited	20 Colliery Lane, Exhall, Coventry, Warwickshire, CV7 9NW	44,520.46
CH0002	Hilfi GB Limited	No1 Circle Square, 3 Symphony Park, Manchester, Greater Manchester, M1 7FS	724.24
CK0000	Kirkby Skips	Kirkby Bank Road, Unit 10 Knowsley Industrial Park, Liverpool, Merseyside, L33 7SY	240.00
CM0000	M&M Access Limited	75 Tenter Road, Moulton Park Industrial Estate, Northampton, NN3 6AX	571.32
CN0000	Natwest Bank Plc	Hillfoot Road, Liverpool, Merseyside, L25 0ND	195,833.29
CP0001	Plant Hire Division Limited	152 Mill Lane, Wallasey, Merseyside, CH44 3BN	2,041.92
CP0002	Premier Forest Products Limited	27 George Street, Birmingham, West Midlands, B3 1QG	1,635.30
CR0000	RiteFix Limited	Unit 29, Monkspath Business Park, Solihull, West Midlands, B90 4NZ	26,430.01
CR0001	Reward Capital Limited	Additional Details / Security: Fixed and Floating Charge; Date on which security given: 16/12/2021; Value of Security: 1.00	1.00
CS0000	Selco Builders Warehouse	Unit 10, Mersey Reach Park, Bootle, L30 6UZ	873.74
CS0001	SIG Trading Limited	Adsetts House, Europa View, Sheffield, South Yorkshire, S9 1XH	228,255.61
CW0000	Walls & Ceilings International Limited	5 Tything Road West, Kinwarton, Alcester, Warwickshire, B49 6EP	627.31
CW0001	Webber (NW) Limited	Unit 3 Kirkby Bank Road, Knowsley Industrial Park, Liverpool, Merseyside, L33 7SY	19,440.00
<b>18 entries totalling</b>			<b>755,406.80</b>

Signature  Date 31/08/22

**Company Creditor - Schedule B1 - Employees & Directors**  
**Ibulid Contracting Services Limited (Registered Number - 09188733)**

Key	Name	Address	Pref £	Unsec £	£
EM0000	Ashley Michael	116 Duke Street, Liverpool, Merseyside, L1 5JW	0.00	8,355.00	8,355.00
EB0000	Mr Alan Bennett	116 Duke Street, Liverpool, Merseyside, L1 5JW	0.00	0.00	0.00
<b>2 entries totalling</b>					<b>8,355.00</b>

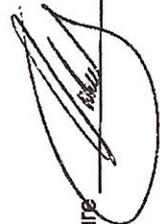
Signature  \_\_\_\_\_ Date 31/08/22

Parker Walsh

**Company Shareholders - Schedule C**

**Ibuild Contracting Services Limited (Registered Number - 09188733)**

Key	Name	Address	Type	Nominal Value	No. Of Shares	Called Up Per Share	Total Amt Called Up
EB0000	Mr Alan Bennett	116 Duke Street, Liverpool, Merseyside, L1 5JW	Other Classes	1,0000	95		0.00
EM0000	Ashley Michael	116 Duke Street, Liverpool, Merseyside, L1 5JW	Other Classes	1,0000	95		0.00
HB0000	Kimberley Bennett	116 Duke Street, Liverpool, Merseyside, L1 5JW	Other Classes	1,0000	5		0.00
HM0000	Mrs Lyndsey Michael	116 Duke Street, Liverpool, Merseyside, L1 5JW	Other Classes	1,0000	5		0.00
<b>4 Other Classes entries totalling</b>					<b>200.00</b>		

Signature  Date 31/03/22