

## Liquidator's Progress Report

# S.192

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

To the Registrar of Companies

Company Number

00068592

Name of Company

H Hargreaves & Company Limited

I / ~~We~~

Daniel Mark Richardson, St James Building, 79 Oxford Street, Manchester, M1 6HT

the liquidator(~~s~~) of the company attach a copy of my/~~our~~ Progress Report  
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 22/10/2013 to 21/10/2014

Signed



Date

7/1/15

UHY Hacker Young turnaround and recovery  
St James Building  
79 Oxford Street  
Manchester  
M1 6HT

Ref PH120/DMR/IB/DBR

FRIDAY



A15 09/01/2015 #235  
COMPANIES HOUSE

**H Hargreaves & Company Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

<b>Statement of Affairs</b>		<b>From 22/10/2013 To 21/10/2014</b>
	<b>SECURED ASSETS</b>	
3,000 00	Plant & Machinery, Motor Vehicle	4,000 00
		<u>4,000 00</u>
	<b>SECURED CREDITORS</b>	
(673 00)	Lombard North Central plc	673 11
		<u>(673 11)</u>
	<b>ASSET REALISATIONS</b>	
1,800 00	Plant & Machinery	2,250 00
	Furniture & Equipment	150 00
4,000 00	Motor Vehicles	7,000 00
1,000 00	Vehicle Spares/Stock	500 00
57,469 00	Book Debts	18,530 50
	Cash collected from premises	950 00
1,135 00	Prepayments - electricity	1,135 46
150 00	Business Equipment & Office Equipme	NIL
1,702 00	VAT Refund	1,720 35
	Refund of DVLA Trade Plates	13 75
7,193 00	Uncleared Cash at Bank	8,305 55
		<u>40,555 61</u>
	<b>COST OF REALISATIONS</b>	
	Specific Bond	135 00
	Travel	54 84
	Preparation of S of A	6,000 00
	Office Holders Fees	25,000 00
	Office Holders Expenses	2 00
	Tracing Agent Fee	100 00
	Agents/Valuers Fees (1)	2,586 50
	Legal Fees (1)	2,502 00
	Stationery & Postage	178 33
	Storage Costs	233 20
	Insurance of Assets	473 52
	Bank Charges	8 00
		<u>(37,273 39)</u>
	<b>PREFERENTIAL CREDITORS</b>	
(8,512 00)	DE Arrears & Holiday Pay	NIL
		<u>NIL</u>
	<b>FLOATING CHARGE CREDITORS</b>	
(70,111 00)	National Westminster Bank plc	NIL
		<u>NIL</u>
	<b>UNSECURED CREDITORS</b>	
(30,669 00)	Trade & Expense Creditors	NIL
(46,284 00)	Employees	NIL
(15,204 00)	HM Revenue & Customs (PAYE)	NIL
(119,876 00)	Directors Loan Accounts	NIL
		<u>NIL</u>
	<b>DISTRIBUTIONS</b>	
(1,500 00)	Ordinary Shareholders	NIL

**H Hargreaves & Company Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

Statement of Affairs	From 22/10/2013 To 21/10/2014
	NIL
<b>(215,380 00)</b>	<b>6,609 11</b>
REPRESENTED BY	
Vat Receivable	1,000 84
Lloyds Bank	5,608 27
	<b>6,609 11</b>

  
Daniel Mark Richardson  
Liquidator

28 November 2014

**PRIVATE AND CONFIDENTIAL**

**TO ALL KNOWN CREDITORS OF THE COMPANY**

St James Building  
79 Oxford Street  
Manchester M1 6HT

Phone +44 161 236 6936  
Fax +44 161 228 0117  
Email [i.buckley@uhy-uk.com](mailto:i.buckley@uhy-uk.com)  
DDI +44 161 234 8954  
Web [www.uhy-uk.com](http://www.uhy-uk.com)

Our ref PH120/IB/DR/6 /AGM  
Your ref  
Doc id 11494

Dear Sirs

**H HARGREAVES & COMPANY LIMITED  
IN CREDITORS VOLUNTARY LIQUIDATION  
COMPANY NUMBER: 00068592  
TRADING ADDRESS & REGISTERED OFFICE: BRUNSWICK WHARF  
BROOK STREET, CONGLETON, CHESHIRE, CW12 1RG**

I D M Richardson of this office was appointed liquidator to the above company on 22 October 2013 and enclose my first annual progress report on the administration of the case

**RECEIPTS AND PAYMENTS**

My receipts and payments account for the twelve month period 22 October 2013 to 21 October 2014 is attached

**ASSET REALISATIONS DURING THE TWELVE MONTH PERIOD 22 OCTOBER 2013 TO 21 OCTOBER 2014**

**Cash at Bank**

According to the director's statement of affairs, cash funds totalled £7,193. However, the sum of £9,255 has been received, comprising of £8,305 collected from the various debtors prior to my appointment, and £950 collected in cash from the business premises, which was held in my firm's client account.

M D Wasinski FCA, S J Berry, C Gawthorpe FCA CTA, P Daly FCA, N A Hancock FIPA FABRP, M J Hodgson CTA, D Kendrick CF, S J Lawson FCA, B J Leyland, D M Richardson MIPA MABRP, M D C Robertson CA, E Stanton CTA, D Symonds FCA

N A Hancock and D M Richardson are licensed as Insolvency Practitioners by the Insolvency Practitioners Association

UHY Hacker Young turnaround and recovery Chartered Accountants is the trading name of UHY Hacker Young Manchester LLP, a limited liability partnership registered in England and Wales with Registered Number OC332437

Registered to carry out audit work in the UK and Ireland and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales

A member of the UHY Hacker Young Group of independent UK partnerships

A member of Urbach Hacker Young International Limited, an international network of independent accounting and consulting firms



### **Furniture & Equipment**

The assets were professionally valued by our agents, Eddisons Commercial LLP ("Eddisons"), in the sum of £150. An offer of £150 was received from the director, Alan Bailey, on 15 November 2013 and accepted in respect of the assets. The funds were received in full on 16 January 2014.

### **Stock and Vehicle Spares**

Eddisons professionally valued the assets at £1,000. Following a lack of interest in the assets, an offer of £500 was received from the director, Alan Bailey, on 15 November 2013, which was accepted upon the recommendation of my agents. The funds were received in full on 16 January 2014.

### **Motor Vehicles & Plant and Machinery**

The company owned a Ford Transit and Diagnostic Equipment, which were subject to lease agreements with Lombard North Central plc ("Lombard"). The vehicle and equipment were sold to a third party for the sum of £4,000 plus VAT. The outstanding finance of £673 owing to Lombard has been deducted from the sale proceeds.

The company owned four unencumbered vehicles and a trailer which were valued by our agent, Eddisons, in the sum of £6,000. Following my appointment, a sale of a Ford Transit Connect van was agreed with the director, Alan Bailey, for £1,500 plus VAT on 7 November 2013. The funds were received in full on 11 November 2014. A sale of a Peugeot Boxer van was also agreed with the director, Alan Bailey, for £400 plus VAT on 18 December 2013. The funds were received in full on 19 December 2013.

The two remaining vehicles and trailer were sold to third parties for the sum of £5,100 plus VAT.

The sum of £7,000 has been realised in total.

### **Plant & Machinery**

The unencumbered plant and machinery was valued by our agents, Eddisons, in the sum of £1,800. Following my appointment, a sale was agreed with the director, Alan Bailey, for £1,850 on 15 November 2013. The funds were received in full on 16 January 2014.

### **Prepayments**

The sum of £1,135 has been received in respect of the prepaid electricity.

### **VAT Refund**

The sum of £1,720 has been received following the submission of the pre appointment returns

### **DVLA Refund**

The sum of £13 has been received following the return of the DVLA trade plates

### **ASSETS TO BE REALISED**

#### **Debtors**

The value for the book debts and retentions shown in the statement of affairs amounted to £86,517, with an estimated to realise value of £57,469. However, following a review into the company's books and records with the assistance of the director, the value of the book debts and retentions have been revised to £84,541, with an estimated to realise of £55,761.

To date the sum of £18,530 has been realised by the Liquidator, and debts totalling £59,462 have been written off, due to valid disputes and their age, a large proportion being in excess of 3 years. Some of the debts are over 6 years meaning they are statute barred from any legal proceedings, therefore limiting the Liquidator's powers to collect the outstanding debts. Unfortunately the anticipated realisations are significantly less than the amount shown on the statement of affairs.

There are two outstanding book debts totalling £5,610, which are collectable in full. The Liquidator has accepted a payment plan of £500 per month from the largest debtor, which accounts for £5,410 of the total, and will be paid in full by September 2015.

### **CREDITORS**

#### **Secured creditors**

The Company has one secured creditor being National Westminster Bank plc ("NatWest") who hold a fixed and floating charge debenture over the company's assets. The amount due to NatWest as at 5 November 2013 was £70,111 including interest and charges to that date.

The floating charge registered against the company was created prior to 15 September 2003. Therefore, the provisions of Section 176A of the Insolvency Act 1986, where a proportion of realisations can be set aside for the benefit of the unsecured creditors, from funds that would normally be paid to the floating charge holder, would not apply.

### Preferential creditors

To date the following preferential claims have been received -

	Amount per statement of affairs	Claim received
	£	£
Wages and holiday pay	8,512	4,825

Employee claims were submitted to the Redundancy Payments Office ("RPO") shortly after my appointment. The employees have received the preferential elements of their claims in respect of the arrears in wages and holiday pay from the funds distributed by the RPO.

### Unsecured Creditors

The employees have also received payment in respect of their unsecured claims from the funds distributed by the RPO. However, I have been unable to agree the RPO's unsecured claim at present due to a discrepancy with the calculations.

The company's trade and expense creditors had an estimated liability of £30,669. Claims received to date amount to £28,171 in respect of 21 claims. Unfortunately, the claims have not been adjudicated as there are insufficient funds available to enable a dividend to be paid to unsecured creditors.

### INVESTIGATION

I can advise you that my investigations are now complete and all relevant matters have been reported to the appropriate authorities who are conducting their own enquiries.

### COSTS OF THE LIQUIDATION

#### Agent's Fees

Agent's fees in the sum of £2,586 have been incurred in obtaining a valuation and sale of the assets. Eddisons Commercial LLP were appointed due to their experience valuing assets of this nature.

#### Legal Fees

Legal fees of £2,502 have been incurred in the collection of the outstanding book debts. Freeths LLP were instructed due to their experience within this field of expertise.

UHY Hacker Young is the trading name of UHY Hacker Young Manchester LLP, a limited liability partnership registered in England and Wales with Registered Number OC332437.

Registered to carry out audit work in the UK and Ireland and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales.

A member of the UHY Hacker Young Group of independent UK partnerships.

A member of Urbach Hacker Young International Limited, an international network of independent accounting and consulting firms.

### **Insurance of Assets**

The sum of £473 has been paid to AUA Insolvency Risk Services to insure the company's assets

### **Tracing Agent Fee**

The sum of £100 has been paid to DBH Business Solutions to trace the whereabouts of two debtors

## **LIQUIDATORS COSTS**

### **Statement of Affairs fee**

The sum of £5,250 has been paid to UHY Hacker Young turnaround and recovery for their work in respect of the preparation of the statement of affairs and convening the meeting of creditors, as agreed at the meeting of creditors held on 22 October 2013

The sum of £750 plus VAT has been paid to Hammond McNulty LLP in respect of their assistance in the preparation of the statement of affairs, as agreed at the meeting of creditors

### **Liquidator's fees**

My total time costs in dealing with the administration of this case for the period from 22 October 2013 to 21 October 2014 are £48,465 in respect of 259 hours, a breakdown of which is attached at Appendix II

My total remuneration to date is £25,000 drawn on account, in accordance with time properly spent by myself and my staff in attending to matters arising in the liquidation as agreed at the meeting of creditors held on 22 October 2013

A schedule detailing the current charge out rates is attached

A copy of the extract from the Statement of Insolvency Practice 9, A Creditors' Guide to Liquidators' Fees, will be supplied to you on request or alternatively may be viewed at <http://turnaround-recovery.uhy-uk.com/home/creditors-guide-to-fees>.

### **Liquidator's disbursements**

Liquidator's disbursements are shown below,



Disbursement	Current period 22/10/2013 to 21/10/2014	Total
<b>Category 1</b>		
Bonding	135 00	135 00
Storage	241 60	241 60
Post	184 39	184 39
Travel (HMRC rates)	54 84	54 84
Companies House	2 00	2 00
<b>Category 2</b>	-	-
<b>Total disbursement incurred</b>	<b>617.83</b>	<b>617 83</b>
<b>Disbursement drawn</b>	<b>(603 37)</b>	<b>(603 37)</b>
<b>Disbursement outstanding</b>	<b>14.46</b>	<b>14.46</b>

Category 2 disbursements were agreed at the meeting of creditors held on 22 October 2013, however, no Category 2 disbursements have accrued throughout the administration of the case

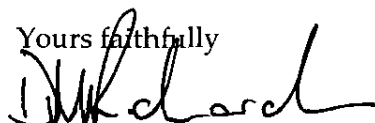
#### CREDITORS RIGHTS TO REQUEST FURTHER INFORMATION

Creditors are reminded of their rights under Rule 4.49E of the Insolvency Rules 1986. Within 21 days of receipt of a progress report a secured creditor or an unsecured creditor with concurrence of 5% in value of the company's unsecured creditors or permission of the court may request further information about remuneration and expenses set out in the report. Such a request must be made in writing.

The Liquidator must provide the information requested within 14 days of receipt of the request or alternatively his reasons for non-provision of the information.

Should a creditor believe that the Liquidators remuneration or expenses are excessive, any secured creditor or any unsecured creditor with the concurrence of 10% in value of the company's creditors or permission of the court, may apply to court to challenge the Liquidators remuneration under Rule 4.131 of the Insolvency Rules 1986. Any such application must be made within a period of 8 weeks following the receipt of the progress report in which the remuneration is first reported.

Yours faithfully



**D M Richardson**  
**Liquidator**

UHY Hacker Young is the trading name of UHY Hacker Young Manchester LLP, a limited liability partnership registered in England and Wales with Registered Number OC332437.

Registered to carry out audit work in the UK and Ireland and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales.

A member of the UHY Hacker Young Group of independent UK partnerships.

A member of Urbach Hacker Young International Limited, an international network of independent accounting and consulting firms.

**H HARGREAVES CO LIMITED**  
**IN CREDITORS VOLUNTARY LIQUIDATION**  
**RECEIPTS AND PAYMENTS ACCOUNT**  
**FOR THE PERIOD 22 OCTOBER 2013 TO 21 OCTOBER 2014**

Appendix I

	Per Statement of affairs	For 12 month period 22 October 2013 to 21 October 2014	Total period 22 October 2013 to 21 October 2014
<b>ASSETS SPECIFICALLY PLEDGED</b>	<b>£</b>	<b>£</b>	<b>£</b>
Plant and Machinery and Motor Vehicles	3,000 00	4,000 00	4,000 00
Less Finance Company	<u>(673 11)</u>	<u>(673 11)</u>	<u>(673 11)</u>
	2,326 89	3,326 89	3,326 89
<b>ASSETS NOT SPECIFICALLY PLEDGED</b>			
Non-Factored Book Debts	57,469 00	18,530 50	18,530 50
Cash at Bank	7,193 00	9,255 55	9,255 55
Motor Vehicles	4,000 00	7,000 00	7,000 00
Plant & Machinery	1,800 00	2,250 00	2,250 00
Prepayments	1,135 00	1,135 46	1,135 46
Vehicle Spares/Stock	1,000 00	500 00	500 00
VAT refund	1,702 00	1,720 35	1,720 35
Furniture & Equipment	150 00	150 00	150 00
Refund of DVLA Trade Plates	-	13 75	13 75
	<u>76,775 89</u>	<u>43,882 50</u>	<u>43,882 50</u>
<b>Payments</b>			
Liquidator's Fees		25,000 00	25,000 00
Statement of affairs fee		5,250 00	5,250 00
Legal Fees		2,502 00	2,502 00
Agents Fees		2,586 50	2,586 50
Accountancy Fees		750 00	750 00
Liquidator's disbursements		468 37	468 37
Insurance		473 52	473 52
Specific Bond		135 00	135 00
Tracing Agents Fees		100 00	100 00
Bank Charges		8 00	8 00
		<u>37,273 39</u>	<u>37,273 39</u>
Balance in hand		6,609 11	6,609 11
		<u>43,882 50</u>	<u>43,882 50</u>
<b>Funds held</b>			
VAT Receivable		1,000 84	1,000 84
Current account		5,108 27	5,108 27
		<u>6,109 11</u>	<u>6,109 11</u>
Liquidator's disbursements charged on following basis,			
<b>Category 1</b>			
Postage (actual - dependant on weight)		24 60	24 60
<b>Category 2</b>			
Photocopying (10p/sheet)		32 40	32 40
		<u>57 00</u>	<u>57 00</u>

The receipts and payments account is shown net of VAT

HILLS SOLICITORS LIMITED  
IN CREDITORS VOLUNTARY LIQUIDATION

ANALYSIS OF TIME COSTS INCURRED

FOR THE TWELVE MONTH PERIOD 22 OCTOBER 2013 TO 21 OCTOBER 2014

Category	Partner		Senior Manager		Manager		Administrator		Total hours	Time cost £
	Hours	Cost £	Hours	Cost £	Hours	Cost £	Hours	Cost £		
Administration, planning & reviews	4 00	1,395 00					11 70	2,037 00	15 70	3,432 00
Statutory notices & annual reports	1 80	621 00					10 10	1,767 50	11 90	2,388 50
Investigation	0 70	241 50					7 70	1,274 00	8 40	1,515 50
Realisation of assets	0 70	241 50					7 40	1,282 50	8 10	1,524 00
Debt collection	10 00	3,450 00					154 80	27,099 50	164 80	30,549 50
Property & leases							5 70	932 50	5 70	932 50
Creditors claims & correspondence	0 60	207 00					26 20	4,525 00	26 80	4,732 00
Employee claims & correspondence	1 50	517 50					8 50	1,432 00	10 00	1,949 50
Post-app tax/vat returns & correspondence	0 40	138 00					7 70	1,303 50	8 10	1,441 50
	19 70	6,811 50	-	-	-	-	239 80	41,653 50	259 50	48,465 00
Average hourly cost (£)		345 76		-		-		173 70		186 76

**UHY HACKER YOUNG**  
**turnaround and recovery**  
**Manchester office**

**CHARGE-OUT RATES**

The table shown details the hourly charge-out rates utilised by UHY Hacker Young turnaround and recovery, Manchester for charging staff time. The rates shown include the current rates and those previously in force.

<b>Grade</b>	<b>From 1 10 2014</b>	<b>1 4 2013 to 30 9 2014</b>	<b>1 3 2011 – 31 3 2013</b>
	<b>per hour</b>	<b>per hour</b>	<b>per hour</b>
Partner / Director	£400 - £370	£395 - £345	£310 - £280
Senior Manager	£310	£300	£260
Manager	£260	£250	£230
Manager (Property Management)	£160	£150	£145 - £130
Senior Administrator	£190	£175	£145
Administrator	£150 - £130	£140 - £120	£120 - £100
Junior	£110	£100	£85

The rates are applied consistently across all insolvency appointments and presented for approval of creditors or a creditors' committee where appropriate.

Time spent on a case is recorded directly using an on-line time recording system. This is allocated in units of 6 minutes, with the nature of the work undertaken being recorded utilising the categories stated below.

Ethical/conflict issues	Planning and strategy
General Administration	Creditors Secured/Unsecured
Retention of title claims	Asset realisation/management
Debt Collection	Employee matters
Lease/rentals	Legal matters
Statutory work	Trading/wages/vat
Statement of Affairs	Reporting
Distribution and closure	

The firm's policy with regard to support staff is that their time is not recovered separately from the case as the cost of provision of the support services are included in the basis of the charge-out rate for the professional staff.

**Disbursements and other costs**

Disbursements incurred in the course of an appointment are recharged to the case in accordance with SIP9 regulations on all insolvency appointments. These fall into two categories,

Category 1 disbursements - These are specific costs referable to the case in question and paid to an independent third party. These generally include advertising, bond, postage, and travel expenses. Category 1 disbursements may be drawn without prior approval.

Category 2 disbursements - These are not specific costs which are re-charged by the firm on the following basis. These generally include stationery, photocopying, telephone calls and fax. Category 2 disbursements are required to be approved by creditors before they can be drawn.

Internal meeting room	£65 per hour
Internal photocopying	10p per sheet
Storage of IP's working files (6 years)	£21 per box

A copy of the extract from the Statement of Insolvency Practice 9, A Creditors' Guide to Fees, is located at <http://turnaround-recovery.uhy-uk.com/home/creditors-guide-to-fees> or alternatively a paper copy will be supplied to you on request.

UHY Hacker Young turnaround and recovery Chartered Accountants is the trading name of UHY Hacker Young Manchester LLP, a limited liability partnership registered in England and Wales with Registered Number OC332437.

Updated 1 10 2014