

## 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

00604101

Name of Company

A B Hobley Limited

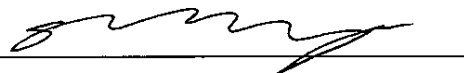
I

Sarah Louise Burge, 1st Floor, Lowgate House, Lowgate, Hull, HU1 1EL

the liquidator of the company attach a copy of my Progress Report  
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 29/04/2014 to 28/04/2015

Signed



Date

30/6/15

Kingsbridge Corporate Solutions Limited  
1st Floor, Lowgate House  
Lowgate  
Hull  
HU1 1EL

Ref 14013/SLB/LW

FRIDAY



A29

\*A4AVKCQZ\*

03/07/2015

#34

COMPANIES HOUSE

**A.B Hobley Ltd – in Creditors' Voluntary Liquidation  
Liquidator's Progress Report to Creditors and Members  
For the period ending 29 April 2015**

**STATUTORY INFORMATION**

Company name	A B Hobley Limited
Registered office	1 <sup>st</sup> Floor Lowgate House, Lowgate, Hull, HU1 1EL
Former registered office	Victoria Works, Victoria Road, Eccleshill, Bradford, BD2 2DD
Registered number	00604101
Liquidator's name	Sarah Louise Burge
Liquidator's address	1 <sup>st</sup> Floor Lowgate House, Lowgate, Hull, HU1 1EL
Liquidator's date of appointment	29 April 2014

**LIQUIDATOR'S ACTIONS SINCE APPOINTMENT**

The Liquidator has dealt with the realisations of the Company's assets as detailed below. The Liquidator has also sought to agree creditors' claims principally the ongoing negotiation of the landlords claim for dilapidations at the former trading premises which will significantly impact the amount received by the general body of unsecured creditors.

**RECEIPTS AND PAYMENTS ACCOUNT**

My Receipts & Payments Account for the period from 29 April 2014 to 28 April 2015 is attached at Appendix 1. The majority of funds are held in an interest bearing deposit account.

**ASSETS**

Plant & Machinery, Fixture & Fittings

The Company's assets were valued by Robert Weston of Sanderson Weatherall of Leeds at £19,200 on an ex-situ basis. The assets were sold in an online auction and realisations totalled £30,032.

Mr Paul Hobley, a former director of the Company, purchased IT equipment for £140.00 plus VAT which was sold to Mr Hobley on the recommendation of Sanderson Weatherall.

Stock/WIP

The stock in the Company's possession at the time of liquidation has been sold by Sanderson Weatherall in an online auction, realisations totalled £3,250. The work in progress shown in the

statement of affairs was reviewed by the liquidator with the assistance of the director. Unfortunately after review it was decided that any WIP shown on the Company's ledger was unrecoverable it related to labour only or that work carried out had previously been invoiced and not removed from the ledger.

#### Book Debts

At the date of appointment the company had an outstanding ledger of £48,870.98. The directors made a specific provision for unrecoverable amounts of £12,388 due to uncompleted works. A general provision of 20% was placed against the remaining books debts. After appointment, work was carried out with the assistance of the director to ascertain which accounts were recoverable and which required credit notes to be issued. After protracted correspondence with a number of debtors, a total of £33,129.44 has been received. The collection of book debts is considered complete.

#### Corporation Tax Refund

The Statement of Affairs showed a Corporation Tax Refund due to the Company in the sum of £2,797. All relevant returns have been submitted and HM Revenue and Customs have confirmed agreement and have applied set off against the outstanding PAYE liability. This will reduce the overall claim of HM Revenue & Customs in the liquidation. I am currently awaiting details of their final claim in this matter.

#### Trade Refunds

The Statement of Affairs showed a value of £8,309 in respect of prepayments shown in the Company's accounts predominantly relating to insurance policies. A refund of £3,866.53 was pursued upon cancellation of the Company's insurance policies. Other prepayments were also reviewed but no further realisations are anticipated.

#### Cash at Bank

A balance of £22,984.80 was held in the Company's account pending the appointment of a Liquidator. After appointment these funds were transferred into the estate account of the Company.

#### Cash held In Kingsbridge Client Account

A sum of £122,578.47 was held in the client account of Kingsbridge Corporate Solutions pending the appointment of a liquidator. A payment of £5,850 was made to Georgetown Victoria Limited in respect of rent for the period starting 31 March 2014 to enable an auction of the Company's assets to be on site along with the sum of £33.66 to Sovereign Healthcare Limited representing deductions made from employees but not paid over. A balance of £117,007.05 was transferred into the Company's estate account upon appointment.

### **LIABILITIES**

#### Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has no current charges over its assets.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

#### Preferential Creditors

The statement of affairs anticipated £2,797.56 in preferential creditors. Claims totaling £3,101.80 have been received. The liquidator is in the process of agreeing these claims with a dividend to preferential

creditors to be paid shortly

### **Crown Creditors**

The statement of affairs included £10,793 66 owed to HM Revenue & Customs ("HMRC"). All returns have now been submitted although HMRC's interim claim of £33,147 has been received. I am currently in the process of obtaining HM Revenue and Customs final claim in this matter now that Crown set off has been applied.

### **Non-preferential unsecured Creditors**

The statement of affairs included 71 non-preferential unsecured creditors with an estimated total liability of £49,184 16. I have received claims from 24 creditors at a total of £63,630 44. I have not received claims from 52 creditors with original estimated claims in the statement of affairs of £8,882 21.

### **DIVIDEND PROSPECTS**

A preferential dividend of 100p in the £ will be declared shortly.

It is anticipated a dividend to unsecured creditors will be declared. Work is currently ongoing to agree the landlord's dilapidation claim, this claim will have a significant impact on the amount received by the general body of creditors. This matter is currently being dealt with by my solicitor and it is anticipated that this matter will be finalised within the next few weeks. Once agreed a notice of intended dividend will be sent to all creditors who have not made a claim.

### **INVESTIGATION INTO THE AFFAIRS OF THE COMPANY**

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. There were no matters that justified further investigation in the circumstances of this appointment.

Within six months of my appointment as Liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make him unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

### **PRE-APPOINTMENT REMUNERATION**

The creditors previously authorised the payment of a fee of £7,500 for my assistance with preparing the statement of affairs and convening and holding the meeting of creditors at a meeting held on 29 April 2014. In addition to this, £1,250 was to be paid to Watson Buckle LLP for their assistance the preparation of the statement of affairs.

The fee for preparing the statement of affairs and convening and holding the meeting of creditors paid from first realisations on appointment and is shown in the enclosed receipts and payments account.

### **LIQUIDATOR'S REMUNERATION**

My remuneration was previously authorised by the creditors at a meeting held on 29 April 2014 to be drawn on a time cost basis. My total time costs to 28 April 2015 amount to £18,742 50, representing 116 9 of hours work at an average charge out rate of £160 33 per hour.

I have drawn £17,000 to date

A schedule of my time costs incurred to date is attached as Appendix 2

A description of the routine work undertaken since my appointment as Liquidator is as follows

- 1 Administration and Planning
  - Preparing the documentation and dealing with the formalities of appointment
  - Statutory notifications and advertising
  - Preparing documentation required
  - Dealing with all routine correspondence
  - Maintaining physical case files and electronic case details on IPS
  - Case bordereau
  - Case planning and administration
  - Preparing reports to members and creditors
  - Convening and holding meetings of members and creditors
  - Maintaining and managing the Liquidator's cashbook and bank account
  - Ensuring statutory lodgements and tax lodgement obligations are met
- 2 Creditors
  - Dealing with creditor correspondence and telephone conversations
  - Preparing reports to creditors
  - Maintaining creditor information on IPS
  - Reviewing and adjudicating on proofs of debt received from creditors
- 3 Investigations
  - Review and storage of books and records
  - Preparing a return pursuant to the Company Directors Disqualification Act
  - Conducting investigations into suspicious transactions
  - Review books and records to identify any transactions or actions a Liquidator may take against a third party in order to recover funds for the benefit of creditors
- 4 Realisation of Assets
  - Corresponding with debtors and directors of the Company and attempting to collect outstanding book debts
  - Liaising with the Company's bank regarding the closure of the account
  - Instructing a valuation agent to value and dispose of the Company's assets
  - Liaising with the Company's insurance broker regarding a refund
  - Work carried out regarding terminal loss relief claim

In addition to the routine work above, I have spent additional time as follows

I have engaged in lengthy discussions with my solicitor and the Company's landlord regarding a dilapidation claim. This matter is still ongoing, however I am hoping it will be drawn to a close in the next few weeks

Further work remains to be done and I estimate that it will cost an additional £4,000 to complete it

A copy of 'A Creditors' Guide to Liquidators' Fees' published by the Association of Business Recovery Professionals is available on this firm's web-site at [www.kingsbridgecs.com/resources](http://www.kingsbridgecs.com/resources). A hard copy of the guide can be obtained free of charge from this office on request. An explanatory note which shows Kingsbridge Corporate Solutions' fee policy is enclosed

## **LIQUIDATOR'S EXPENSES**

I have incurred expenses to 28 April 2015 of £1,950.68. I have drawn £1,926.80 to date

I have incurred the following expenses in the period since my appointment as Liquidator

Type of expense	Amount incurred/ accrued in the reporting period (£)
Storage	151 02
Bond	680 00
Postage	118 56
Statutory Advertising	300 00
Room Hire	75 00
<b>Total</b>	<b>1,324 58</b>

I have incurred the following category 2 disbursements in the period since my appointment as Liquidator

Type of category 2 disbursement	Amount incurred/ accrued in the reporting period (£)
Photocopying	252 60
Mileage	373 50
<b>Total</b>	<b>626.10</b>

I have used the following agents or professional advisors in the reporting period

Professional Advisor	Nature of Work	Basis of Fees
Sanderson Weatherall	Valuer/Auctioneer	Percentage of realisations
Watson Buckle LLP	Accountants	Time Costs
Clarion Solicitors	Solicitors	Time Costs

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case.

The following work was undertaken

- Valuation and removal of the Company's assets, (Sanderson Weatherall)
- Surveying the property with regards to the landlords dilapidation claim, (Sanderson Weatherall)
- Preparation and submission of a Corporation Tax Terminal Loss Relief Claim, (Watson Buckle)
- Negotiations regarding the landlords dilapidation claim, (Clarion Solicitors)

## FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

The Liquidation will remain open until the landlords claim for dilapidation has been agreed. Once agreed I will issue a notice of intended dividend and declare a dividend to unsecured creditors. I will also obtain Crown clearance before closing the case. I estimate that this will take approximately 6 months and once resolved the Liquidation will be finalised and our files will be closed.

Should you have any queries regarding this report, or the Liquidation in general, please contact Lindsey Weatherill on 01482 337500.

At Kingsbridge Corporate Solutions we always strive to provide a professional and efficient service. However, we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. As such, should you have any comments or complaints regarding the administration of this case, then in the first instance you should contact me at the address given in this letter.

If you consider that I have not dealt with your comments or complaint appropriately, then put details of your concerns in writing to our complaints officer, Liam Cotter, at 1<sup>st</sup> Floor, Lowgate House, Lowgate, Hull HU1 1EL. This will formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a director unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at [www.gov.uk/complain-about-insolvency-practitioner](http://www.gov.uk/complain-about-insolvency-practitioner), or you can email [insolvency.enquiryline@insolvency.gov.uk](mailto:insolvency.enquiryline@insolvency.gov.uk), or you may phone 0300 678 0015 - calls are charged at up to 9p per minute from a land line, or for mobiles, between 8p and 40p per minute if you're calling from the UK.



**Sarah Louise Burge**  
**Liquidator**

**A.B.Hobley Limited  
(In Liquidation)**

**Summary of Receipts & Payments  
29 April 2014 to 28 April 2015**

**Statement of  
Affairs**

<b>RECEIPTS</b>	<b>Total (£)</b>
19,200 Plant & Machinery, Fixtures & Fittings	30,172 00
13,999 Stock/WIP	3,250 00
29,186 38 Book Debts	33,129 44
21,852 26 Cash at Bank	22,984 80
117,007 05 Cash held in Kingsbridge Client Account	122,578 47
8,309 00 Trade Refunds - Insurance refund	3,866 53
Bank Interest Gross	134 33
	<b>216,115 57</b>
 <b>PAYMENTS</b>	
Pre Appointment Fee	7,500 00
Office Holders Fees	17,000 00
Office Holders Expenses	1,926 80
Agents/Valuers Fees	1,500 00
Agents/Valuers Disbursements	5,029 30
Accountant's Fee	1,560 00
Surveyors Fees	1,000 00
Re-Direction of Mail	120 00
Rents Payable	5,850 00
Insurance of Assets	408 10
Sovereign Healthcare Limited	33 66
Bank Charges	64 00
VAT Receivable	1,007 77
	<b>42,999.63</b>
<b>Balance in Hand</b>	<b>173,115.94</b>

# A. B. Hobley Limited - In Liquidation

From 29/04/2014 To: 28/04/2015

Classification of Work Function	Director	Manager	Other Senior Professionals	Assistants & Support Staff		Total Hours	Time Cost (£)	Average Hourly Rate (£)	Total Hours Total Time Cum Costs Cum	
									Hours	
Admin & Planning	17 60	8 20	0 00	15 70	41 50	6,857 00	165 23		41 50	6,857 00
Creditors	3 40	10 30	0 00	8 20	21 90	3,245 50	148 20		21 90	3,245 50
Investigations	0 50	2 00	0 00	3 10	5 60	687 50	122 77		5 60	687 50
Realisation of Assets	5 20	38 20	0 00	4 50	47 90	7,952 50	166 02		47 90	7,952 50
<b>Total Hours / Costs</b>	<b>26 70</b>	<b>58 70</b>	<b>0 00</b>	<b>31 50</b>	<b>116 90</b>	<b>18,742 50</b>	<b>160 33</b>		<b>116 90</b>	<b>18,742 50</b>