

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

02779675

Name of Company

Hammond Group Holdings Limited

I / We

Christopher Kim Rayment, 125 Colmore Row, Birmingham, B3 3SD

Edward T Kerr, Pannell House, 159 Charles Street, Leicester, LE1 1LD

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 22/09/2014 to 21/09/2015

Signed



Date

6/10/15

BDO LLP
Pannell House
159 Charles Street
Leicester
LE1 1LD

Ref 00245440HGH/CKR/ETK/HLR/CB

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COMPANIES HOUSE

**Hammond Group Holdings Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 22/09/2014 To 21/09/2015
	ASSET REALISATIONS	
4,921,000 00	Amount due from Bibby Distribution Lt	4,921,000 00
		4,921,000 00
	UNSECURED CREDITORS	
(1,774,000 00)	Amount due to Bibby Distribution Ltd	1,774,000 00
		(1,774,000 00)
	DISTRIBUTIONS	
	Ordinary Shareholders	3,147,000 00
		(3,147,000 00)
3,147,000 00		NIL
	REPRESENTED BY	
		NIL



Christopher Kim Rayment
Joint Liquidator

TO THE MEMBERS

6 November 2015

Our ref ETK/HR/cvb/00245440

Direct line 0116 250 4418
Email
helen.l.robinson@bdo.co.uk

Dear Sirs

**Hammond Group Holdings Limited in Members Voluntary Liquidation
First progress report to Members on the progress of the liquidation pursuant to Section 92A
of the Insolvency Act 1986**

I write to give you the first report on the conduct of the liquidation for the period from 22 September 2014 to 21 September 2015

The following schedules are attached to this report.

- 1 Statutory information
- 2 An abstract of the Joint Liquidators' receipts and payments account for the period of the report.
- 3 An analysis of the time charged to the liquidation in the period for the assignment as a whole.
4. Summary of the policies of BDO LLP in respect of fees and expenses for work in relation to the Liquidation
5. An extract from the Insolvency Rules 1986 re Members Rights.

General overview

All assets in the liquidation have been realised and tax clearances have been received from all departments of HM Revenue & Customs

Clerical Medical have confirmed there are no active pension schemes and that all the benefits were transferred out in 2008.

As all matters have been concluded, the final report, convening the final meeting, will be presented shortly. Once the final meeting has been held, the Company will be dissolved 3 months thereafter.

Progress of the Liquidation

The Company was placed into Members Voluntary Liquidation to achieve an orderly wind down of the Company and distribution of the assets.

Following the passing of resolutions at the meeting of the members held on 22 September 2014, the Company was subsequently placed into members voluntary liquidation with myself and C Kim Rayment of BDO LLP being appointed Joint Liquidators. Resolutions were also passed to enable the assets of the company to be distributed in specie to the members



4 November 2015

Receipts and Payments Account

I enclose a Receipts and Payments account to 21 September 2015 which shows the amounts realised and paid out as at that date, together with the amounts on the Statement of Assets and Liabilities included in the Declaration of Solvency sworn by the directors

Asset realisation**Inter-Company Debt**

At the date of liquidation, there was an amount of £4,921,000.00 owed to the Company by another group company, Bibby Distribution Limited, together with an amount of £1,774,000 being owed back to Bibby Distribution Limited

Bibby Supply Chain Services Limited, the ultimate shareholder owns 100% of the share capital of the holding company, Sutton Support Services Limited and 100% of Bibby Distribution Limited.

A distribution in specie for this net amount of £3,147,000 was made to Sutton Support Services Limited on 22 September 2014.

As a result of the distribution in specie, Bibby Distribution Limited are therefore required to settle this net amount to Sutton Support Services Limited

Costs incurred other than Liquidators' expenses

No such costs have been incurred. The Liquidators' fees and expenses will be settled by Bibby Supply Chain Services Limited

Creditor claims

The inter-company indebtedness to Bibby Distribution Limited of £1,774,000, as detailed on the Declaration of Solvency was settled as part of the distribution in specie referred to above

An advert for claims was placed in the London Gazette on 1 October 2014. No further creditor claims have been received in the liquidation.

HM Revenue & Customs have given clearances from all departments and have confirmed there are no outstanding matters and have no objection to the conclusion of the liquidation.

The pension company, Clerical Medical, have confirmed that there are no liabilities under the scheme

Distributions**Creditors**

As detailed above, as part of the distribution in specie on 22 September 2014, the indebtedness due to Bibby Distribution Limited of £1,774,000 has been netted off

4 November 2015

Shareholders

The issued share capital of the company comprises 2,275,000 ordinary shares of £1 each, which are wholly owned by Sutton Support Services Limited

The net amount due to the Company from Bibby Distribution Limited of £3,147,000 was distributed in specie to Sutton Support Services Limited on 22 September 2014. This equates to a distribution of £1 38 per share.

Joint Liquidators' Remuneration

My fee for carrying out this assignment as a whole was agreed by the directors in the engagement letter dated 21 August 2014 and confirmed at the shareholders meeting on 22 September 2014, to be the lower of an agreed maximum fee of £15,000, plus VAT and disbursements

Time costs incurred in the period covered by this report for dealing with the assignment as a whole, amount to £19,169 representing 90 hours at an average hourly rate of £212 No fees have been raised in the period covered by this report

A detailed analysis of the time costs incurred is attached, together with the summary of BDO LLP policies in respect of fees and expenses

These amounts are derived from BDO LLP normal rates for time properly spent by the liquidators and their staff in attending to matters arising in the liquidation. Where members of staff have been employed on this case they have been so based on their experience and abilities in dealing with a case of this nature. Where appropriate certain staff have dealt with a specific area of the liquidation due to their specialist skills in that area BDO LLP's scale rates may increase from time to time over the period of an assignment.

All staff who have worked on this matter, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the enclosed analysis. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements During the period covered by this report the sum of £3,146 60 has been incurred and but has not yet been invoiced in respect of these category 1 disbursements These are summarised as follows

	£
Statutory Advertising	1,776.60
Specific Bond	1,370 00

No category 2 disbursements have been charged in this matter. There will be a final disbursement of £84.60 for each Company in respect of the statutory notice of the final meeting in the London Gazette.

4 November 2015

Complaints

If you have a complaint you should address it in the first instance to the Senior Partner, BDO LLP, 55 Baker Street, London W1U 7EU. If you are still dis-satisfied, complaints to the office holder's regulatory body should be made via the Insolvency Service Complaints Gateway. Complaints to the single Complaints Gateway may be made either by.

- calling the Insolvency Service Enquiry Line on 0845 602 9848 (Monday to Friday 8am to 5pm), or
- completing and emailing the online complaints form on the Insolvency Service website <http://www.insolvencydirect.bis.gov.uk/contactus/ipcomplaint/complaintform.htm>, or
- completing the online complaints form and posting it to: IP Complaints, Insolvency Service, 3rd Floor, 1 City Walk, Leeds, LS11 9DA.
- For more details, please visit. <http://www.bis.gov.uk/insolvency/contact-us/IP-Complaints-Gateway>.

Statement of members right to further information

In accordance with Rule 4.49E of the Insolvency Rules 1986, any member with the concurrence of at least 5% in value of the total members (including the member in question), or with the permission of the court, may make a request in writing to the Joint Liquidators for further information about the remuneration or expenses (other than pre-liquidation costs) set out in this report. I attach an extract from the Insolvency Rules for your information.

I trust the above provides you with sufficient information but if you have any queries, please do not hesitate to contact Helen Robinson of this office.

Yours faithfully



Edward T Kerr
Joint Liquidator

4 November 2015

STATUTORY INFORMATION

Company name	Hammond Group Holdings Limited
Registration number	02779675
Registered office address	Pannell House 159 Charles Street Leicester LE1 1LD
Liquidator(s) details	<p>Edward T Kerr BDO LLP Pannell House 159 Charles Street Leicester LE1 1LD Appointed: 22/09/2014 Resigned</p> <p>Christopher Kim Rayment BDO LLP Pannell House 159 Charles Street Leicester LE1 1LD Appointed: 22/09/2014 Resigned</p>

Hammond Group Holdings Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Declaration of Solvency		From 22/09/2014 To 21/09/2015	From 22/09/2014 To 21/09/2015
	ASSET REALISATIONS		
4,921,000 00	Amount due from Bibby Distribution Lt	4,921,000.00 4,921,000 00	4,921,000 00 4,921,000.00
	UNSECURED CREDITORS		
(1,774,000 00)	Amount due to Bibby Distribution Ltd	1,774,000.00 (1,774,000.00)	1,774,000.00 (1,774,000.00)
	DISTRIBUTIONS		
	Ordinary Shareholders	3,147,000.00 (3,147,000 00)	3,147,000.00 (3,147,000.00)
3,147,000.00		NIL	NIL
	REPRESENTED BY		NIL



Christopher Kim Rayment
Joint Liquidator

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Hammond Group Holdings Limited - In Liquidation

In accordance with best practice we provide below details of the policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within our firm, who may be involved in working on the insolvency, follows. This in no way implies that staff at all such grades will work on the case.

GRADE	£
Partner	374-484
Director/Senior Manager	285-335
Manager	213-242
Assistant Manager/Senior Executive	192
Executive	163-181
Administration Assistant	104-145
Junior Administrator	82
Support staff/Secretary	57-66

The rates charged by BDO LLP are reviewed in December and July each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories -

- Pre Appointment
- Steps upon Appointment
- Planning and Strategy
- General Administration
- Asset Realisation/Management
- Trading Related Matters
- Employee Matters
- Creditor Claims
- Reporting
- Distribution and Closure
- Other Issues

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where officeholders' remuneration is approved on a time cost basis, the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.



Other Costs

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.

Category 1

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents etc. In each case the recharge will be reimbursement of a specific expense incurred.

Category 2

Insolvency practice additionally provides for the recharge of expenses such as postage, stationery, photocopying charges, telephone, fax and other electronic communications, which cannot be economically recorded in respect of each specific case. Such expenses, which are apportioned to cases, must be approved by the creditors in accordance with the Insolvency Rules 1986, before they can be drawn, and these are known as category 2 disbursements.

Where applicable, all disbursements will be subject to VAT at the prevailing rate.

BDO LLP

4.148C Members' claim that remuneration is excessive

- (1) Members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or any member with the permission of the court, may apply to the court for one or more of the orders in paragraph (6) on the grounds that—

- (a) the remuneration charged by the liquidator,
- (b) the basis fixed for the liquidator's remuneration under Rule 4.148A, or
- (c) expenses incurred by the liquidator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate.

- (2) Application must, subject to any order of the court under Rule 4.49E(5), be made no later than 8 weeks (or 4 weeks when the liquidator has resigned in accordance with Rule 4.142) after receipt by the applicant of the report or account which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").
- (3) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application; but it must not do so unless the applicant has had the opportunity to attend the court for a hearing of which the applicant has been given at least 5 business days' notice but which is without notice to any other party.
- (4) If the application is not dismissed under paragraph (3), the court must fix a venue for it to be heard and give notice to the applicant accordingly.
- (5) The applicant must at least 14 days before the hearing send to the liquidator a notice stating the venue and accompanied by a copy of the application and of any evidence which the applicant intends to adduce in support of it.
- (6) If the court considers the application to be well-founded, it must make one or more of the following orders—
- (a) an order reducing the amount of remuneration which the liquidator was entitled to charge,
 - (b) an order fixing the basis of remuneration at a reduced rate or amount;
 - (c) an order changing the basis of remuneration;
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation;
 - (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify;

and may make any other order that it thinks just; but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report.

- (7) Unless the court orders otherwise, the costs of the application must be paid by the applicant and are not payable as an expense of the liquidation.