

The Insolvency Act 1986**Liquidator's Progress
Report****S.192****Pursuant to Sections 92A and 104A
of the Insolvency Act 1986**

To the Registrar of Companies

For Official Use

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Company Number

06938466

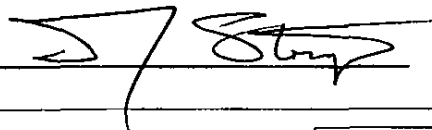
Name of Company

Hodco Limited

I / We
David John Stringer
5 Bassett Wood Drive
Southampton
SO16 3PT

the liquidator(s) of the company attach a copy of my/our progress report
under section 192 of the Insolvency Act 1986

Signed



Date

23 August 2013

Stringer & Co
5 Bassett Wood Drive
Southampton
SO16 3PT

Ref HOD02/DJS

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Insolvency Sect

Post Room

WEDNESDAY



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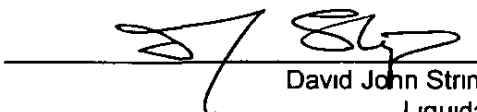
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#139

COMPANIES HOUSE

Hodco Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 17/08/2012 To 16/08/2013
	ASSET REALISATIONS	
	Book Debts	15,404 58
62,930 00	Cash at Bank	45,363 23
30,823 00	Rent Deposits	34,486 18
10,000 00	Cash with Agent	15,740 07
1,600 00	Cash in Hand	2,600 00
	Sundry receipts	1,352 42
		<u>114,946 48</u>
	COST OF REALISATIONS	
	Specific Bond	680 00
	Office Holders Fees	5,000 00
	Office Holders Expenses	37 07
	Legal Fees	1,083 80
	Statutory Advertising	127 50
		<u>(6,928 37)</u>
	UNSECURED CREDITORS	
(21,901 75)	Trade & Expense Creditors	NIL
(77,302 00)	Directors	NIL
(494,410 00)	Inland Revenue	NIL
		<u>NIL</u>
	DISTRIBUTIONS	
(100 00)	Ordinary Shareholders	NIL
		<u>NIL</u>
(488,360.75)		<u>108,018.11</u>
	REPRESENTED BY	
	VAT Receivable	1,162 90
	Bank 1 Current	106,855 21
		<u>108,018.11</u>


 David John Stringer
 Liquidator

Hodco Limited
(In Liquidation)
Supplementary Information

Registered Office / Home Address

5 Bassett Wood Drive
Southampton
SO16 3PT

Registered Number

06938466

Appointment Details

First Partner - David John Stringer
5 Bassett Wood Drive
Southampton
SO16 3PT
Appointment Date - 17/08/2012

Changes to Office Holders

None

Additional Information

Dividends / Distributions / Consigned Funds

Dividend Type	Date	Admitted	Paid	p in £
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No Dividends Paid

Unrealisable Assets

Details of Basis of Remuneration - Time Costs incurred

Statement of Remuneration / Expenses
For period 17/08/2012 to 16/08/2013

Account	Incurred In Period	Accrued In Period For Last Period	Accrued In Period	Total In Period
Specific Bond	680 00	0 00	0 00	680 00
Office Holders Fees	5,000 00	0 00	0 00	5,000 00
Office Holders Expenses	37 07	0 00	0 00	37 07
Legal Fees	1,083 80	0 00	0 00	1,083 80
Statutory Advertising	127 50	0 00	0 00	127 50
	6,928 37	0 00	0 00	6,928 37

Hodco Limited – Creditors Voluntary Liquidation

FIRST ANNUAL PROGRESS REPORT TO CREDITORS AND MEMBERS

Statutory Information

Registered Office	5 Bassett Wood Drive, Southampton, SO16 3PT
Former Trading Addresses	The Hillgate Pub, 24 Hillgate Street, Kensington London. W8 7SR The Selkirk, 60 Selkirk Road, Tooting Broadway, London, SW17 0ES The Rose 1 Harwood Terrace London, SW6 2AF
Company Number	06938466
Liquidator	David John Stringer (IP No 6535) of Stringer & Co, 5 Bassett Wood Drive, Southampton, SO16 3PT

Introduction

I refer to my appointment as Liquidator of the above-named company, on 17 August 2012, and hereby submit my first annual report regarding the conduct of the liquidation for the period from 17 August 2012 to 16 August 2013, following the first anniversary of the liquidation, in accordance with the Insolvency Act 2986 and the Insolvency Rules

Receipts and Payments Account

A summary receipts and payments account is attached, on which I comment further, as follows -

Bank and Cash Balances

The Statement of Affairs presumed that, at the date of liquidation, there would be no other assets apart from the rent deposits and the bank and cash balances. The differences between the actual and the statement of affairs figures for the bank and cash balances is attributed to the fact that certain of the anticipated credits had not been processed, prior to the date of liquidation.

The majority of the "cash with agents" and "cash in hand" (cash floats) were credited into the company bank account after the date of liquidation, with the resultant balance of funds subsequently recovered from the bank, on closure of the account being allocated accordingly.

Rent Deposits and Book Debts

On receipt of the brewery landlord's "departure statements", in addition to the rent and dilapidation deposits, there were additional "commercial debt" balances refunded, which were duly recorded as debtors for the purposes of the receipts and payments account.

Other Assets

The only other recovery, in this case, was a rates rebate recovered in respect of one of the properties, in the sum of £1,352.42, bringing total realisations of £114,946.48, compare with the anticipated figure of £105,353.00 per the Statement of Affairs.

Investigations

The largest creditor in this case is HM Revenue & Customs, for arrears of PAYE/NIC and VAT. Subsequent to the meetings, concerns were confirmed regarding the late submission of returns, suggesting that the related monies were withheld to support the company's inadequate finances.

The directors have stated that, prior to the date of the issue of a winding-up petition (in April 2012) by HMR&C, they believed that the debts could be discharged from the sale of the three businesses (which were put on the market in November 2011). However, only completion of the sale of The Rose was achieved, the proceeds being sufficient to clear the bank's (as the secured chargeholder) indebtedness. The directors remained of the opinion that purchasers for the two remaining outlets (which were deemed to be trading profitably) could still be found, and accordingly, following advice, the winding-up petition was opposed and a Validation Order was obtained from the High Court.

As a result of the petition, the company's bank account was frozen, for approximately 5 weeks, which caused extreme problems in controlling the ongoing trading situation, with personal monies, from various sources being borrowed/introduced/utilised to maintain the company's trading position. It is the recording of these transactions that has caused further difficulties for the company's accountants in reconciling the directors' current account balances, and it is anticipated that the extensive exercise being undertaken to resolve this matter should be completed in the near future, to identify the residual balances, and enable a review of the related movements thereon.

As referred to in my report following the initial meetings, in accordance with the Company Directors Disqualification Act 1986, I have a duty to report on the conduct of the directors of the company. I can confirm that I have undertaken an investigation of the company records received to date and have duly submitted my report, the content of which is confidential and cannot be disclosed.

Creditors

Secured Creditors

There was only the one secured creditor that, as referred to above, was settled out of the sale proceeds generated by the sale of The Rose.

Preferential Creditors

There are no known residual preferential creditors in this liquidation, with all employee-related claims having been transferred to the purchasing company, and incorporated into the purchase consideration.

Unsecured Creditors

The director's statement of affairs identified unsecured creditor claims totalling £593,613.75. To date, 12 claims totalling £543,194.38 have been received. In addition to the outstanding directors' current/loan account balances, there remain a further 13 creditors, listed on the statement of affairs from whom no claims have yet been received.

It is currently too early to establish the extent of any likely distribution to the unsecured creditors in this case.

Costs and Expenses

Payments made from the liquidation during the period are detailed in the attached receipts and payments account.

Liquidator's Remuneration

A resolution was also passed at the initial creditors' meeting, on 17 August 2012, approving that the Liquidator be authorised to draw his fees, based on a time-costs basis, together with disbursements incurred (plus VAT thereon), in accordance with the rates published and made available to the meeting

I enclose herewith a (SIP9) summary of the time costs and disbursements incurred during the period of this report, together with a schedule of my firm's policy regarding charge-out rates and disbursements. Remuneration of £5,000 plus disbursements have been raised on account of these costs, during the period of this report

Creditors' Rights to Request Further Information

As referred to, on the enclosed summary of costs, creditors have a right to request further information in respect of the Liquidator's remuneration and expenses (in accordance with Rule 4.49E of the Insolvency Rules 1986). Should any clarification or further information be required, please do not hesitate to let me know (in writing) within the specified timescale

Creditors' Rights to Challenge Remuneration and/or Expenses

As also referred to on the enclosed summary, creditors have the right to challenge the amounts drawn, under Rule 4.131. If a creditor believes that the remuneration charged by the Liquidator is too high, the basis of remuneration is inappropriate, or the expenses incurred by the Liquidator are in all the circumstances excessive he may, provided certain conditions are met, apply to Court

Application may be made to the Court by any secured creditor or unsecured creditor with the agreement of at least 10% in value of the creditors (including that creditor) or with permission of the Court. Any such application must be made within 8 weeks of the applicant receiving the Liquidator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported

A Creditors' Guide to Liquidators fees was issued with Notice of the initial meetings. Should you require a further copy, this can be accessed from the Institute's website - www.icaew.com/en/technical/insolvency/creditors-guides

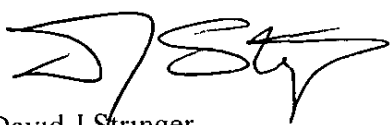
Conclusion

The matters remaining in the liquidation include

- The resolution to the quantification of the directors' accounts, and other outstanding unsecured claims,
- The completion of the residual investigatory matters, on receipt of the related documentation,
- Obtain the 'clearances' from the various Crown departments,
- Effect a distribution to the unsecured creditors, if there remain sufficient funds so to do,
- Procedures leading to the final meetings of members and creditors to approve the final report and seek my release as Liquidator

Should you have any queries regarding this report, please do not hesitate to contact me accordingly

Dated 23 August 2013



David J Stringer
Liquidator



COMPANIES HOUSE

HODCO LIMITED
IN CREDITORS VOLUNTARY LIQUIDATION

SUMMARY OF LIQUIDATOR'S RECEIPTS AND PAYMENTS
for the Year to 16 August 2013

Per S of A £		£	£
RECEIPTS			
62,930 00	Cash at Bank		45,363 23
Nil	Book Debts		15,404 58
30,823 00	Rent Deposits		34,486 18
10,000 00	Cash with Agents		15,740 07
1,600 00	Cash in Hand		2,600 00
Nil	Sundry receipts		1,352 42
<u>105,353 00</u>			<u>114,946 48</u>
PAYMENTS			
	Statutory Advertising	127 50	
	Statutory Bond	680 00	
	Legal Fees	1,083 80	
	Liquidator's Remuneration	5,000 00	
	Liquidator's Disbursements	37 07	
	VAT recoverable	1,162 90	
			<u>8,091 27</u>
	Balance at Bank		<u><u>£106,855 21</u></u>

HODCO LIMITED - IN LIQUIDATION

TIME AND CHARGEOUT SUMMARIES

to 16 August 2013

Hours						
Classification of work function	Current Period			Total Hours		
	Office Holder	Support Staff	Total	Office Holder	Support Staff	Total
Administration and planning	4 7		4 7	4 7		4 7
Investigations	23.3		23 3	23 3		23 3
Realisation of assets	3 4		3 4	3 4		3 4
Trading						
Preferential Creditors						
Unsecured Creditors	11 4		11 4	11 4		11 4
Case specific matters						
Total hours	42 8	0 0	42 8	42 8	0 0	42 8
Total time costs (£)	8,560 00		8,560 00	8,560 00		8,560 00
Average hourly rate (£)	200 00		200 00	200 00		200 00
Current hourly rate (£)	£200			£200		

Summary of fees	Current Pd £	Totals £
Amount drawn to date	5,000 00	5,000 00
Amount undrawn	3,560 00	3,560 00
Totals	8,560 00	8,560 00

Disbursements incurred by the Office Holder's firm -

	Incurred in period	Billed in period	Incurred to date	Billed to date
Type and purpose	£	£	£	£
Statutory advertising	127 50	127 50	127 50	127 50
Specific bond	680 00	680 00	680 00	680 00
Legal fees	1,083 80	1,083 80	1,083 80	1,083 80
Postage/postal redirection charge	30 07	30 07	30 07	30 07
Company search fees	7 00	7 00	7 00	7 00
Total	1,928 37	1,928 37	1,928 37	1,928 37

Creditors retain the right, in the event that they consider that the remuneration, including expenses, is excessive or the basis thereof inappropriate, to request further information (within 21 days of receipt of the report) and/or submit a challenge thereto (within 8 weeks of receipt of the report)

STRINGER & CO

CHARGEOUT RATES AND DISBURSEMENTS

Chargeout Rates

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), the chargeout rates applicable to this appointment (which are chargeable in 6 minute units), exclusive of VAT, are as follows

	from
	1 April
	2012
	£/hour
Office Holder	200
Assistants/Secretary	30-60

Chargeout rates are normally reviewed annually on 1 April, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance

Direct expenses ("Category 1 Disbursements")

Category 1 disbursements as defined by SIP9, which can be specifically identified as relating to the administration of the case will be charged to the estate at cost, with no uplift. These include, but are not limited to, such items as case advertising, postage, legal and agents' costs and commissions, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

Indirect expenses ("Category 2 Disbursements")

It is our normal practice to also charge the following indirect disbursements to the case, where appropriate

Reports/circulars to creditors

Stationery/photocopying charges are charged at the rate of 10p per sheet

Room Hire

For the convenience of creditors and to save the cost of booking an external hotel room, meetings of creditors are occasionally held internally, at our Southampton office. Where meetings of creditors are held internally, a charge of £50 plus VAT is levied in respect thereof.

Travel

Mileage incurred as a result of any necessary travelling is charged at the rate of 60p per mile

Storage

Company records and closed case files are stored in warehouse premises, and the storage costs are recharged at the rate of £5 per box per year, which is considered to represent the actual costs of storage, without any element of profit uplift.

All of the above costs are subject to amendment by the firm at any time and if amended will be notified to creditors with the next circular sent to all creditors. VAT is added to disbursement charges, as necessary.

Stringer & Co
Effective 1 April 2012

Standard activity**Examples of work****Administration and planning**

Case planning

Administrative set up

Appointment notification

Maintenance of records

Statutory reporting

Annual and internal reviews

Investigations

SIP 2 review

Investigating antecedent transactions

Realisation of assets

Identifying, securing, insuring assets

Retention of title

Debt collection

Property, business and asset sales

Trading

Management of operations

Accounting for trading

Ongoing employee issues

Creditors

Communications with creditors

Creditors' claims (including employees and other preferential – creditors)

Distributions to creditors