

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

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

The Progress Report covers the period from 17/08/2014 to 16/08/2015

Signed



Date

7 September 2015

Stringer & Co
5 Bassett Wood Drive
Southampton
SO16 3PT

Ref HOD02/DJS

COMPANIES HOUSE

TUESDAY



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

Statement of Affairs		From 17/08/2014 To 16/08/2015	From 17/08/2012 To 16/08/2015
	ASSET REALISATIONS		
	Book Debts	NIL	15,404 58
62,930 00	Cash at Bank	NIL	45,363 23
30,823 00	Rent Deposits	NIL	34,486 18
10,000 00	Cash with Agent	NIL	15,740 07
1,600 00	Cash in Hand	NIL	2,600 00
	Sundry receipts	NIL	1,352 42
		<u>NIL</u>	<u>114,946 48</u>
	COST OF REALISATIONS		
	Specific Bond	NIL	680 00
	Office Holders Fees	NIL	10,500 00
	Office Holders Expenses	NIL	56 97
	Legal Fees	NIL	1,083 80
	Accountant's fees	NIL	2,120 00
	Statutory Advertising	NIL	127 50
		<u>NIL</u>	<u>(14,568 27)</u>
	UNSECURED CREDITORS		
(21,901 75)	Trade & Expense Creditors	NIL	NIL
(77,302 00)	Directors	NIL	NIL
(494,410 00)	Inland Revenue	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(100 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(488,360.75)</u>		<u><u>NIL</u></u>	<u><u>100,378.21</u></u>
	REPRESENTED BY		
	Bank 1 Current		100,378 21
			<u><u>100,378.21</u></u>

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	Number	Paid	p in £
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No Dividends Paid

Unrealisable Assets

Details of Basis of Remuneration

Statement of Remuneration / Expenses
For period 17/08/2014 to 16/08/2015

Account	Incurred In Period	Accrued In Period For Last Period	Accrued In Period	Total In Period
	0 00	0 00	0 00	0 00

Hodco Limited – Creditors Voluntary Liquidation

THIRD 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 third annual report regarding the conduct of the liquidation for the period from 17 August 2014 to 16 August 2015, following the further recent anniversary of the liquidation, in accordance with the Insolvency Act 1986 and the Insolvency Rules

Receipts and Payments Account

A summary receipts and payments account is attached, confirming that there were no movements during the year subject to this report

Investigations

As previously reported, the largest creditor in this case is HM Revenue & Customs, for arrears of PAYE/NIC and VAT, generating suggestions that the related monies were withheld to support the company's inadequate finances, which warranted further investigation

Following the submission of my report on the conduct of the directors, The Insolvency Service undertook further investigations, having recovered all the company's accounting records, concluding in Mr & Mrs Corbett accepting disqualification from acting as directors of a company for periods of 4 5 and 5 years respectively, commencing from 11 November 2014

As regard the directors' loan balances claimed, there remained a number of transactions for which documentary evidence had been requested, to establish/confirm the validity of these claims. Following Mr Corbett's supervised review of the company records (held by The Insolvency Service) and a review of their personal records, it was subsequently concluded that the company records were inadequate to provide sufficient supporting documentation to fully support these transactions. Proposals were therefore put forward, by the Mr & Mrs Corbett and their daughter, to resolve the position, suggesting that they would be prepared to defer their claims in the liquidation, to avoid the costs and time delays that would be incurred in undertaking a full forensic reconstruction of the company accounts (from both company and the directors' personal records), to establish the extent of any such residual claims

In the event that such a reconstruction exercise supported a situation whereby all the unsubstantiated adjustments in the directors' accounts were rejected (which was by no means certain), there would be the possibility of one of the loan balances potentially becoming a debt due to the company. However, the benefit of any such recovery is perceived would be mitigated/expunged by the additional costs incurred in achieving that position, and having given due consideration to the directors' proposal to defer their claims, I am of the opinion that acceptance thereof would result in a position that equates/marginally improves the position of the non-associated creditors then would otherwise be achieved.

Letters consenting to the deferral of their claims have recently been received from the three directors. I am therefore, subject to any comments to the contrary from the creditors, within the next 21 days, proposing to accept the proposal to the deferral of any residual claims that the three parties concerned may have in the liquidation, and progress to the agreement of the other unsecured creditor claims, and effect a distribution in due course.

Accordingly, should you have any comments to make in relation to this proposed course of action, I should be grateful if you could submit them in writing to me within the timescale referred to above.

Creditors

Secured Creditors

There was only the one secured creditor that, as previously reported, was settled out of the sale proceeds generated by the sale of The Rose, prior to the date of liquidation.

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 directors' statement of affairs identified unsecured creditor claims totalling £593,613.75. To date, 13 claims totalling £540,231.49 have been received. Other than the directors' current/loan account balances, there still remain 11 creditors, listed on the statement of affairs from whom no claims have yet been received.

In the event that no dissentient views are received to the proposed course of action referred to above, within the specified timescale, I shall then issue a Notice of Intended Dividend, providing a deadline date by which all/any residual claims will be required to be submitted, failing which they may be excluded from any dividend payment, with a distribution being effected as soon as possible after that deadline date.

Costs and Expenses

As referred to above, there have been no payments made during the year, as confirmed in the attached receipts and payments account.

Liquidator's Remuneration

A resolution was 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. No further remuneration has 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

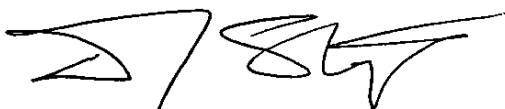
Conclusion

The matters remaining in the liquidation include

- The resolution to the matter of the suggested deferral of the directors' accounts,
- Obtain the "clearances" from the various Crown departments,
- Agreement of the creditor claims and effecting a distribution to the unsecured creditors,
- 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 7 September 2015



David J Stringer
Liquidator

David John Stringer is authorised by The Institute of Chartered Accountants in England and Wales to act as an Insolvency Practitioner

Hodco Limited
(In Liquidation)
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HODCO LIMITED - IN LIQUIDATION
TIME AND CHARGEOUT SUMMARIES
to 16 August 2014

Hours						
Classification of work function	Current Period			Total Hours		
	Office Holder	Support Staff	Total	Office Holder	Support Staff	Total
Administration and planning	5 1		5.1	17 7		17.7
Investigations	11 8		11 8	45 7		45.7
Realisation of assets			0 0	3.4		3.4
Trading						
Preferential Creditors						
Unsecured Creditors	5 3		5 3	19 1		19.1
Case specific matters						
Total hours	22 2	0.0	22 2	85 9	0 0	85.9
Total time costs (£)	4,565 50		4,565 50	17,428 50		17,428 50
Average hourly rate (£)	205 65		205 65	202 89		202.89
Current hourly rate (£)	£215			£215		

Summary of fees.	Current Pd £	Totals £
Amount drawn to date		10,500.00
Amount undrawn	4,565.50	6,928 50
Totals	4,565 50	17,428 50

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
Specific bond			680 00	680 00
Legal fees			1,083 80	1,083 80
Accountancy fees			2,120 00	2,120 00
Postage/postal redirection charge	17 85		68 02	48 97
Company search fees			8 00	8 00
Total	17 85	0 00	4,087 32	4,068 27

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 2015 £/hour	from 1 April 2014 £/hour	from 1 April 2013 £/hour	from 1 April 2012 £/hour
Office Holder	215	210	200	200
Assistants/Secretary	30-60	30-60	25-50	25-50

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 2015