

Liquidator's Progress Report

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

S.192

To the Registrar of Companies

Company Number

04147379

Name of Company

(a) Insert full name
of company

(a) Groombridge Asset Management Ltd

(b) Insert full
name(s) and
address(es)

We (b) David William Tann and Matthew John Waghorn of Wilkins Kennedy LLP,
92 London Street, Reading, Berkshire, RG1 4SJ

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 6 August 2015 to 5 August 2016

Signed

Date

26/4/16

Presenter's name,
address and
reference
(if any)

David William Tann
Wilkins Kennedy LLP
92 London Street
Reading
Berkshire
RG1 4SJ

DWT/CF/R2879

TUESDAY



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27/09/2016

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COMPANIES HOUSE

**Groombridge Asset Management Ltd
In Liquidation
("the Company")**

**Annual Progress Report to the Members and Creditors
Pursuant to Section 104A of the Insolvency Act 1986 for the year ending 5
August 2016**

**Wilkins Kennedy LLP
92 London Street
Reading
Berkshire
RG1 4SJ**

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1. INTRODUCTION

The anniversary of my appointment as joint liquidator has passed and I am required to send you a report on what has happened in the liquidation since my last progress report

The detailed report is provided below, but in summary I have continued to receive annual payments from the mutual society which the Company held an interest in. The Company's interest in the society comprised storage rights for 150 tonnes of produce. I have received and accepted an offer for the sale of this interest in the society and anticipate receiving the proceeds, around £10,000, shortly.

I have also continued to make enquiries with the assistance of solicitors into a settlement agreement reached with the director prior to liquidation to establish whether any claims can be brought for the benefit of the liquidation.

At present the realisations will only be sufficient to make partial payment against the costs of the liquidation and there will be no funds for unsecured creditors.

2. BACKGROUND

The members' and creditors' meetings were held on 6 August 2014, when my partner Matthew John Waghorn and I were appointed joint liquidators of the Company.

The Company's registration number is 04147379 and its current registered office is 92 London Street, Reading, Berkshire, RG1 4SJ.

The Company's former registered office was Sixty Six North Quay, Great Yarmouth, Norfolk, NR30 1HE. Prior to liquidation, the Company traded from Groombridge Place, Groombridge Hill, Groombridge, Tunbridge Wells, Kent, TN3 9QG.

3. RECEIPTS AND PAYMENTS ACCOUNT

Appendix 1 is a summary of receipts and payments from the date of liquidation on 6 August 2014 to 5 August 2016. As at 5 August 2016 a total of £30.19 was held in the liquidation account. This account is held at The Royal Bank of Scotland. It is interest bearing and I confirm that it has been reconciled to the bank statements.

4. ASSET REALISATIONS

- 4.1 In my last report, the only outstanding asset to be dealt with was the Company's investment in the Weald Granary Ltd mutual society. During the period covered by this report, I received a further balance of £540 from the society in respect of an annual credit due for unused storage rights.

I instructed a valuation agent, Richard Birch & Co, to review the storage rights held by the Company to ascertain whether these could be realised for the benefit of the liquidation. After considering the membership terms for the mutual society it was established that the Company's interest could only be transferred to other members. The society maintained a list of storage rights which were available for purchase by members and the Company's interest was added to this register.

In June 2016, I received notification from the society that an offer had been put forward by a member to purchase storage rights at a rate of £75 per tonne. Weald Granary Ltd had previously been offering storage rights to new members at a rate of £115 per tonne, however, uptake had been very slow in the preceding year. I sought advice on the offer from Richard Birch & Co. Whilst the value offered is below the rate offered to new members, they recommended acceptance after taking account of the following factors:

- The Company's interest in the society has been registered for sale since February 2015 and this is the first offer that has been received. As indicated by the society, the uptake by new members has been very slow.
- According to my agent, the size of the storage rights held by the Company is relatively small and it is likely that only an existing member with rights in the same location would be interested in purchasing them.
- My agent also commented that the requirement for storage rights is dependent upon the level of grain production generally. He advised that at present the price of grain is relatively low and due to a lack of sunshine this season the demand for storage has not been high. Whilst a higher offer could be achieved if the market for grain improved, there is no guarantee that this will happen in the foreseeable future.

The relevant sale documents have been completed and returned to the society to be executed. Based upon the Company's storage rights, the sum of £11,250 is expected less a commission fee due to Weald Granary Ltd of 5%.

5. EXPENDITURE

5.1 Pre appointment remuneration

At a meeting held on 6 August 2014, creditors authorised the payment of a fee (£5,000 plus VAT and disbursements) for my assistance with preparing the statement of affairs and convening and holding the meeting of creditors prior to my appointment.

The sum of £3,500 plus VAT was paid by the shareholder towards this fee prior to liquidation. As previously reported, a further contribution of £2,002.07 has been made by the shareholder since my appointment towards the balance of these costs.

5.2 Joint liquidators' remuneration

My remuneration was authorised by creditors at a meeting held on 6 August 2014 to be drawn on a time costs basis. My total time costs to 5 August 2016 amount to £15,533.50, representing 65.25 hours which have been charged at an average hourly charge out rate of £238.06. Of this balance, £4,120 was charged between 6 August 2015 and 5 August 2016 representing 16.50 hours at an average hourly charge out rate of £249.70.

I have drawn £1,096.50 to date of which, all of which was drawn in the period covered by this report.

A description of the routine work undertaken in the liquidation is set out at Appendix II. In addition to the routine work, I have spent additional time as follows:

- Considering the offer made to purchase the Company's storage rights and corresponding with the Weald Granary Ltd mutual society to complete the sale.
- Reviewing information provided on a settlement agreement reached with the director prior to liquidation and corresponding with solicitors concerning additional enquiries to be made.

A creditors' guide to liquidators' fees is available at the following internet link, www.r3.org.uk/index.cfm?page=1210. A hard copy of this document is available free of charge upon request to my office.

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

joint liquidators' 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 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 joint liquidators' 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

5.3 Joint liquidators' expenses

My expenses to 5 August 2016 amount to £530 88 of which £464 71 was incurred in the period from 6 August 2015 to 5 August 2016

I have not been able to draw any expenses in this matter

The following expenses have been incurred but not yet been paid

<u>Particulars of expense</u>	<u>Type of expense (category 1 or 2)</u>	<u>Amount incurred/ accrued to date</u>	<u>Amount outstanding</u>
Postage	Category 1	£101 78	£101 78
Stationery	Category 2	£19 10	£19 10
Redirection of mail	Category 1	£120 00	£120 00
IT administration fee	Category 1	£110 00	£110 00
Specific bond	Category 1	£40 00	£40 00
Statutory advertising	Category 1	£140 00	£140 00

The following agents and professional advisors have been used in the liquidation

<u>Agent / professional advisor</u>	<u>Nature of work</u>	<u>Fee arrangement</u>
Richard Birch & Co	Reviewing the terms of the mutual society to establish whether the Company's rights could be sold for the benefit of the liquidation Providing an opinion on the offer made to purchase the Company's rights	Time costs basis plus VAT Due to the nominal amount of work completed the agent has confirmed that there is no charge due
Clifton Ingram LLP	Providing assistance with ongoing enquiries into the settlement agreement reached with the director prior to liquidation	Time costs basis plus VAT To date, they have incurred time costs of £528 plus VAT

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment I also considered that the basis on which they will charge their fees represented value for money I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case

6. INVESTIGATION

- 6.1 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 I considered in particular transactions which took place at the time of and immediately prior to the Company ceasing to trade

I previously noted that I was reviewing a settlement agreement with the director that had been entered into prior to my appointment following a legal action by the shareholder. My enquiries into this matter are ongoing and I have instructed Clifton Ingram LLP to assist me in reviewing any potential actions that may be brought for the benefit of creditors.

- 6.2 Within six months of my appointment, I was 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 them unfit to be concerned with the management of the Company. I confirm that my report has been submitted.

7. CREDITORS' CLAIMS

7.1 Secured creditor

There are no charges registered against the Company.

7.2 Preferential creditors

My previous report identified the types of claims by former employees that could be deemed preferential under statute. As stated in that report, the Redundancy Payments Office rejected the claims submitted by former employees on the basis that their employment and any resulting liabilities had transferred to a new business under the provisions of the Transfer of Undertaking (Protection of Employment) Regulation 2006. I am not aware of any other claims having been made.

7.3 Unsecured creditors

To date, I have received 26 unsecured claims totalling £93,234.86 compared to £1,049,695 estimated in the statement of affairs. The difference is predominantly due to the fact that I have not yet received a formal claim from the shareholder who according to the statement of affairs is owed £851,000.

Claims have not yet been agreed or admitted for dividend purposes.

8. DIVIDEND PROSPECTS

Based on current information, there is unlikely to be sufficient funds to declare a dividend to unsecured creditors unless my ongoing enquiries result in additional realisations.

9. CONCLUSION

The liquidation will remain open until I have received the sale proceeds for the Company's interest in the mutual society and have concluded my ongoing enquiries.

The next formal report will be following the next anniversary of the liquidation, or the conclusion of the liquidation, whichever is sooner. However, I will be happy to respond to any specific request for further information submitted in the meantime.

When contacting this office about the liquidation, please ask for Christine Francis.


David William Tann
Joint Liquidator

**Groombridge Asset Management Ltd - In Creditors Voluntary Liquidation
Joint Liquidators' Abstract of Receipts & Payments**

From 06 August 2015 to 05 August 2016

S of A £	As Previously Reported	06/08/15 to 05/08/16	Total £
RECEIPTS			
NIL Fixed Assets	NIL	NIL	NIL
NIL Bank Interest Gross	1 17	2 51	3 68
NIL Refund	60 36	NIL	60 36
NIL Third Party Contribution	2,002 07	NIL	2,002 07
NIL Investments - Mutual Society Credit	540 00	540 00	1,080 00
NIL	2,603 60	542 51	3,146 11
PAYMENTS			
Statement of Affair Fee	1,500 00	NIL	1,500 00
Office Holders Fees	NIL	1,096 50	1,096 50
Corporation Tax	0 12	NIL	0 12
Vat Irrecoverable	300 00	219 30	519 30
	1,800 12	1,315 80	3,115 92
CASH IN HAND	803 48	(773 29)	30 19

WILKINS KENNEDY LLP

Schedule of joint liquidators' remuneration and disbursements

for

Groombridge Asset Management Ltd

as at 5 August 2016

JOINT LIQUIDATORS' FEES

Classification Of work function	HOURS					Time Cost £	Average hourly rate £
	Partner	Manager	Other senior Professionals	Assistants & support staff	Total Hours		
Administration & planning	4 00	6 35	4 10	1 10	15 55	3,724 50	239 52
Cashiering & accounting	-	0 50	5 95	0 40	6 85	704 50	102 85
Investigations	0 70	21 05	-	-	2 75	6,397 50	294 14
Realisation of assets	0 20	2 20	-	-	2 40	718 00	299 17
Trading	-	-	-	-	-	-	-
Creditors	0 30	8 70	3 00	2 80	14 80	2,832 00	191 35
Statutory matters	0 40	3 50	-	-	3 90	1,157 00	296 67
Total hours	5 60	42 30	13 05	4 30	65 25	15,533 50	238 06
Total fees claimed (£)						(1,096 50)	

Wilkins Kennedy LLP Charge-Out Rates

28 April 2014 to 28 February 2015

£

1 March 2015 to date

£

Partners/Directors	400 00 - 450 00
Senior Managers/Managers	270 00 - 300 00
Supervisors	205 00
Case Managers/Senior Administrators	145 00 - 195 00
Administrators/Investigators	100 00 - 160 00
Junior/Trainee Administrators	25 00 - 100 00
Cashiers/Secretaries	75 00 - 90 00

Partners	400 00 - 450 00
Directors/Managers	250 00 - 350 00
Senior Administrators	145 00 - 195 00
Administrators	100 00 - 160 00
Junior/Trainee Administrators	50 00 - 110 00
Cashiers/Secretaries	75 00 - 90 00

WILKINS KENNEDY LLP

Schedule of joint liquidators' remuneration and disbursements

for

Groombridge Asset Management Ltd

From 6 August 2015 to 5 August 2016

JOINT LIQUIDATORS' FEES

Classification Of work function	HOURS					Time Cost £	Average hourly rate £
	Partner	Manager	Other senior Professionals	Assistants & support staff	Total Hours		
Administration & planning	1 60	0 55	1 90	0 30	4 35	983 00	225 98
Cashiering & accounting	-	0 20	1 90	0 10	2 20	241 50	109 77
Investigations	-	5 75	-	-	5 75	1,782 50	310 00
Realisation of assets	0 20	1 10	-	-	1 30	421 00	323 85
Trading	-	-	-	-	-	-	-
Creditors	-	0 40	1 00	-	1 40	209 00	149 29
Statutory matters	0 20	1 30	-	-	1 50	483 00	322 00
Total hours	2 00	9 30	4 80	0 40	16 50	4,120 00	249 70
Total fees claimed (£)						(1,096 50)	

Wilkins Kennedy LLP Charge-Out Rates

28 April 2014 to 28 February 2015	£	1 March 2015 to date	£
Partners/Directors	400 00 - 450 00	Partners	400 00 - 450 00
Senior Managers/Managers	270 00 - 300 00	Directors/Managers	250 00 - 350 00
Supervisors	205 00	Senior Administrators	145 00 - 195 00
Case Managers/Senior Administrators	145 00 - 195 00	Administrators	100 00 - 160 00
Administrators/Investigators	100 00 - 160 00	Junior/Trainee Administrators	50 00 - 110 00
Junior/Trainee Administrators	25 00 - 100 00	Cashiers/Secretaries	75 00 - 90 00
Cashiers/Secretaries	75 00 - 90 00		

Explanation of officeholders time charging policy

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), the charge out rates detailed on the previous page are applicable to this appointment exclusive of VAT. Rates are normally reviewed on an annual basis and adjustments made accordingly where deemed appropriate. Time is recorded in 6 minute units by each staff member working on the case. A description of the routine work undertaken which time will be recorded for is detailed as follows:

1 Administration and planning

- Preparing documentation and dealing with the formalities of appointment
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details
- Reviewing the ongoing progression of case files
- Arranging the collection and storage of Company records
- Ensuring an appropriate case bordereau is in place
- Case planning and administration

2 Investigations

- Review of the Company's books and records
- Preparation of returns / reports pursuant to the Company's Directors Disqualification Act 1986
- Conduct investigations into any suspicious transactions
- Reviewing the books and records to identify any transactions or actions that the officeholder may take in order to recover funds for the benefit of creditors

3 Realisation of assets

- Identifying, securing and obtaining sufficient insurance in respect of Company assets
- Dealing with any retention of title or other third party claims
- Debt collection functions
- Negotiating and completing property, business and asset sales

4 Cashiering

- Managing case bank accounts
- Maintaining case cash books

5 Trading

- Management of trading operations
- Maintaining and preparing accounting records for the period of trading
- Dealing with ongoing employee issues

6 Creditors

- Dealing with creditor correspondence and telephone conversations
- Maintaining creditor information and claims (including those submitted by secured creditors, employees and other preferential creditors)

7 Statutory

- Statutory notifications and advertising
- Convening and holding meetings of members and creditors where appropriate
- Preparing reports to members and creditors
- Filing of statutory documents with the Registrar of Companies and/or the court

Explanation of officeholders disbursement recovery policy

SIP 9 also requires that the office holder provide a statement of the officeholder's policy in relation to the recharging of disbursements SIP 9 defines disbursements as either Category 1 or Category 2 disbursements, further details of which are below

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage

Category 2 disbursements will generally comprise costs which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs

Charging and disbursement recovery policy

Category 1 disbursements are recoverable without approval, and will be recovered by the officeholder as they are incurred

Category 2 disbursements do require approval, and should be identified and subject to approval by those responsible for approving remuneration SIP 9 provides that the officeholder may make a separate charge for expenses in this category, provided that

- such expenses are of an incidental nature and are directly incurred on the case, and there is a reasonable method of calculation and allocation, it will be persuasive evidence of reasonableness, if the resultant charge to creditors is in line with the cost of external provision, and
- the basis of the proposed charge is disclosed and is authorised by those responsible for approving his remuneration

Payments to outside parties in which the officeholder or his firm or any associate (as defined by Section 435 of the Insolvency Act 1986) has an interest should be treated as category 2 disbursements

The following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision

Photocopying	5p per sheet
Mileage	45p per mile (40p per mile prior to 6 April 2011)
Meeting Room	£50

Provision of Services Regulations

When carrying out all professional work relating to an insolvency appointment, Insolvency Practitioners are bound by the Insolvency Code of Ethics

To comply with the Provision of Services Regulations, some general information about Wilkins Kennedy LLP, including our complaints policy and Professional Indemnity Insurance and the Insolvency Code of Ethics, is available on our website using the following link <http://www.wilkinskennedy.com/services/wk-restructuring-recovery/provision-of-service-regulations/>