In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

LIQ03
Notice of progress report in voluntary winding up

Companies House

FRIDAY

A75RFMJC
A16 11/05/2018 #284
COMPANIES HOUSE

1 Company details

Company number	0 0 2 7 3 9 1 9
Company name in full	A.B.F. LIMITED

→ Filling in this form
Please complete in typescript or in bold black capitals.

2 Liquidator's name

Full forename(s)	Anthony John
Surname	Wright

3 Liquidator's address

Building name/number	FRP Advisory LLP
Street	2nd Floor, 110 Cannon Street
Post town	London
County/Region	
Postcode	E C 4 N 6 E U
Country	

4 Liquidator's name ❶

Full forename(s)	Gareth Rutt
Surname	Morris

❶ Other liquidator
Use this section to tell us about another liquidator.

5 Liquidator's address ❷

Building name/number	FRP Advisory LLP
Street	Kings Orchard, 1 Queen Street
Post town	Bristol
County/Region	
Postcode	B S 2 0 H Q
Country	

❷ Other liquidator
Use this section to tell us about another liquidator.

LIQ03
Notice of progress report in voluntary winding up

6 Period of progress report

	d	d	m	m	y	y	y	y
From date	3	0	0	3	2	0	1	7
To date	2	9	0	3	2	0	1	8

7 Progress report

☑ The progress report is attached

8 Sign and date

Liquidator's signature

Signature
X [signature] X

	d	d	m	m	y	y	y	y
Signature date	0	4	0	5	2	0	1	8

LIQ03
Notice of progress report in voluntary winding up

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Anthony John Wright
Company name	FRP Advisory LLP
Address	2nd Floor, 110 Cannon Street
Post town	London
County/Region	
Postcode	E C 4 N 6 E U
Country	
DX	
Telephone	020 3005 4000

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

FRP Advisory

A.B.F. Limited (In Liquidation) ("THE COMPANY")

The Joint Liquidators' Progress Report for the period 30 March 2017 to 29 March 2018 pursuant to section 104A of the Insolvency Act 1986 and the Insolvency (England and Wales) Rules 2016

4 May 2018

Contents and abbreviations

The following abbreviations may be used in this report:

FRP	FRP Advisory LLP
The Company	A.B.F. Limited (In Liquidation)
The Liquidators	Anthony John Wright and Gareth Rutt Morris of FRP Advisory LLP
The Period	The reporting period 30 March 2017 to 29 March 2018
CVL	Creditors' Voluntary Liquidation
SIP	Statement of Insolvency Practice
QFCH	Qualifying floating charge holder
HMRC	HM Revenue & Customs

1. Progress of the liquidation

Introduction

Further to the appointment of the Joint Liquidators on 30 March 2015, we report on the progress of the liquidation for the period 30 March 2017 to 29 March 2018 ("the Period") in accordance with Section 104A of the Insolvency Act 1986 and the Insolvency Rules 2016.

As previously reported, the Joint Liquidators' appointment followed the removal of David Costley-Wood, Brian Green and Mark Firmin of KPMG LLP ("the Former Liquidators"), pursuant to a Court order made on the same day.

Work undertaken during the Period and work yet to be completed

At the date of our appointment, the Company had no known physical assets and, therefore, no realisations have been made to date, aside from a rates refund of £296.34 and cash at bank of £1,072,158.48 recovered from the Former Liquidators as outlined in our previous reports dated 18 May 2016 and 18 May 2017. Creditors are referred to the Former Liquidators' reports in this liquidation, as well as the directors' statement of affairs dated 7 May 2011.

During the Period and since our appointment, we have continued to review a number of enquiries in relation to concerns raised by a major creditor relating to the circumstances of the Company's failure.

Prior to the Company's liquidation, it was part of the Silentnight group of companies, together with SNGL Realisations (2011) Limited (formerly Silentnight Group Limited) ("SNGL"). The Joint Liquidators were also appointed in respect of SNGL on 30 March 2015.

The majority of the work carried out in respect of both companies relates to the same investigations and/or claims and, as such, time costs and legal fees incurred by Gateley LLP, the Joint Liquidators' appointed solicitors in this matter, in relation to the investigations affecting both companies were being split equally between the estates. However, during the Period, our costs and legal costs were such that there were insufficient funds available in SNGL's estate to settle our outstanding costs and legal expenses in full and fund the ongoing investigations.

As such, with the agreement of the majority creditor of both companies, the Company entered into an agreement with SNGL on 25 May 2017, whereby SNGL assigned any actual or potential rights and/or claims and/or causes of action to the Company for the sum of £127,745 and on the basis that the Company shall repay SNGL 25% of any net proceeds recovered as a result of any potential claims and/or causes of action.

Our enquiries in respect of the Companies' losses and demise are ongoing and, due to their sensitive nature, it would not be appropriate to release further details in relation to the issue at this stage.

In addition, and as previously reported, a European Commission decision in 2014 ruled that four main producers of polyurethane foam had participated in a cartel ("the Cartel"), co-ordinating the pricing of foam in 10 EU member states. One of the Cartel members was a supplier ("the Supplier") of the Company and, further to our investigations, it was established that the Company had a claim against the Supplier in respect of overpayments and resultant compensation and interest. Consequently, a claim was issued against the Supplier on 20 June 2016 in respect of damages for overcharges as a result of the Cartel activities. This claim remains ongoing and is currently listed for trial later this year. Clyde & Co LLP are acting for the Joint Liquidators in this matter on a contingent fee basis.

Given the legal and commercial sensitivity surrounding this claim, it would not be appropriate to disclose any further information in respect of this matter at present. However, we will continue to keep creditors updated of any material developments in this regard.

1. Progress of the liquidation

During the Period, the Company received several personal injury claims from historic employees and we are continuing to deal with the Company's insurers in respect of these claims. In addition, significant time was also incurred dealing with various statutory and regulatory enquiries.

Part of our duties includes carrying out proportionate investigations into what assets the Company has, including any potential claims against the directors or other parties, and what recoveries could be made. We have reviewed the Company's books and records and accounting information, analysed the information received from the directors, and invited creditors to provide information on any concerns they have concerning the way in which the Company's business has been conducted.

As previously advised, a report on the conduct of the directors to the Department for Business, Innovation & Skills was submitted by the Former Liquidators and no further report was required.

Should any creditor hold information about the assets, affairs and dealings of the Company, which they feel may assist our investigations, please provide this to us as soon as possible.

Future work to be undertaken

Please see below for a summary of future work to be undertaken.

Regulatory requirements

- Continued consideration and monitoring of professional and ethical matters and other legislation such as the Bribery Act, Data Protection Act and others.
- Continued consideration and monitoring of case specific matters including health and safety, environmental concerns, particular licenses or registrations, tax position, social media, profile of the client or its stakeholders.
- Continued compliance with my statutory and regulatory enquiries.

Case management

- Continued consideration and monitoring of case strategy and regular updates to the strategy document to document progress. Continued regular meetings between case staff to progress case matters.
- Ensuring adequate insurance remains in place as required.
- Continued correspondence with the former advisors to the Company, where appropriate.
- Continue to deal with the Company's insurers in respect of personal injury claims.

Assets

- To continue investigations into the Company's business, dealings and affairs for the purposes of identifying assets, if any, which may be realised for the benefit of the estate.
- To continue to progress the claim against the Cartel (as outlined above).

Statutory compliance and reporting

- To provide statutory reports to creditors at regular intervals and continue to manage any queries arising therefrom. Copies of these reports are required to be filed with the Registrar of Companies.
- Correspondence with the VAT and other departmental offices of HMRC to ascertain the Company's pre-appointment tax position. Completion and submission of any relevant returns, where required.
- Ongoing liaison with HMRC to agree the Company's post-appointment tax position and obtain tax clearances. Submission of ongoing returns as required.

1. Progress of the liquidation

- Deal with the statutory requirements in bringing the case to a close, including preparing a final report for stakeholders, filing the relevant documentation with the Registrar of Companies and obtaining the Joint Liquidators' release.

Reports and correspondence

- Continue to issue correspondence and updates to the body of creditors as necessary.
- Continue correspondence with unsecured creditors including addressing creditor queries and providing information in respect of the liquidation process.
- Continue to consider and process proof of debt forms received from unsecured creditors.
- Continue to record all claims received to date in the Joint Liquidators' case management system.
- Adjudicate proofs of debt prior to any such distribution, should sufficient realisations be made to allow for one.

Investigations

- Continue to investigate certain matters in respect of the circumstances that led to the Company's failure and demise.
- Continue with relevant work required in relation to the claim against the Cartel.

Receipts and payments account

Attached, at **Appendix B**, is a receipts and payments account detailing both transactions for the Period and cumulatively since our appointment.

Gross bank interest

During the Period, total gross bank interest of £1,722.96 has been earned. Total gross bank interest of £5,009.51 has been earned since our appointment.

Third party funding

During the Period, the amount of £125,264 has been received from third party funders in respect of expert's fees relating to the Cartel matter.

2. Estimated outcome for the creditors

Outcome for secured creditors

As previously reported, at the date of the Former Administrators' appointment, Grace Bay Holdings II SaRL ("Grace Bay") was owed approximately £12,700,000 by *the Company. This was secured by a debenture conferring a fixed and floating* charge over the Company's assets dated 12 February 2011, as well as cross guarantees from various group companies.

As part of the sale of the Company's business, Grace Bay's debt was novated to HIG Snooze Newco Limited, the purchaser of the Company's business and assets ("the Purchaser") and was therefore effectively paid in full.

Preferential creditors

As previously reported by the Former Liquidators, as all employees were transferred to the Purchaser, there have been no preferential claims in the proceedings.

Unsecured creditors

Claims totalling £70,710,849 have been received from 407 unsecured creditors who have submitted their debts in the proceedings. A total of 268 creditors have yet to submit their claims.

As previously reported by the Former Liquidators, a first dividend of 5p in the £ was declared on 28 March 2012 and the total amount of £5,235,388 was distributed on agreed claims totalling £69,992,224. A second dividend of £12.16p in the £ was declared to unsecured creditors on 7 May 2014 and the total amount of £6,421,3034 was distributed to creditors on agreed claims of £69,992,224.

On current information, it is anticipated that a further dividend will be paid to unsecured creditors. However, the timing and quantum of any further interim or final dividend are uncertain at present. We will, of course, keep creditors updated as matters progress and provide notice of any further dividends in line with statutory requirements.

Those creditors who have not already submitted a statement of claim form are requested to send details of their claim to us.

The prescribed part

In accordance with the Enterprise Act 2002, the prescribed part is an element of net realisations due to a floating charge holder which is made available for unsecured creditors (subject to the floating charge post-dating 15 September 2003).

As previously reported, the floating charge creditor in question, Grace Bay, has been repaid in full by the Former Administrators and Liquidators. Accordingly, the prescribed part provisions no longer apply in this instance and all further net realisations are available for distribution to unsecured creditors.

3. Joint Liquidators' remuneration, disbursements and expenses

FRP Advisory

Joint Liquidators' remuneration

Turning to our own costs in this matter, our remuneration as Joint Liquidators is based on computerised records of all time spent on the administration of this case. Matters dealt with during the assignment are dealt with by different member of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of six-minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge-out rates are reviewed at least annually, details of FRP Advisory's charge-out rates, together with a breakdown of the time costs and disbursements incurred during the Period of this report and cumulatively, in accordance with Statement of Insolvency Practice 9, are attached at **Appendix C**.

At the creditors' meeting held on 15 May 2015, we were authorised to draw fees on a time costs basis. No fees have been drawn during the Period. Total fees of £100,000 have been drawn since our appointment.

Fees of £50,000 have been drawn in the Period, in respect of the Joint Liquidators' remuneration relating to the Liquidation of SNGL on account of the assignment of claims referred to above and have been paid from the Company's estate.

Joint Liquidators' disbursements

The Joint Liquidators' disbursements are a recharge of actual costs incurred by the Joint Liquidators in dealing with this matter. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the Period are set out at **Appendix C**.

Expenses of the liquidation

Attached, at **Appendix D**, is a statement of expenses that have been incurred during the Period and cumulatively.

Creditors have a right to request further information from the Joint Liquidators and further have a right to challenge the Joint Liquidators' remuneration and other expenses, which are first disclosed in this report, under the Insolvency Rules. (For ease of reference these are the expenses incurred in the Period as set out in **Appendix D** only).

Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link http://creditors.frpadvisory.com/feesguide.htm and select the one for liquidation. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

Appendix A

Statutory information about the Company and the liquidation

A.B.F. LIMITED (IN LIQUIDATION)

COMPANY INFORMATION:

Other trading names:	None
Date of incorporation:	15/03/1933
Company number:	00273919
Registered office:	c/o FRP Advisory LLP, 110 Cannon Street, London, EC4N 6EU
Previous registered offices:	c/o KMPG LLP, 1 St Peter Square, Manchester, M2 3AE
	PO Box 100 Long Ing Lane, Barnoldswick, Lancashire, BB18 6WT
Business address:	PO Box 100 Long Ing Lane, Barnoldswick, Lancashire, BB18 6WT

LIQUIDATION DETAILS:

Joint Liquidators:	Anthony John Wright and Gareth Rutt Morris
Address of Joint Liquidators:	FRP Advisory LLP, 110 Cannon Street, London, EC4N 6EU
Date of appointment of Joint Liquidators:	30/03/2015
Court in which Liquidation proceedings were brought:	N/A
Court reference number:	N/A

Appendix B

Joint Liquidators' Receipts & Payments Account for both the Period and cumulatively

RECEIPTS	From 30/03/2017 To 29/03/2018 (£)	Total (£)
Cash at Bank from Former Liquidators	0.00	1,072,158.48
Rates Refund	0.00	296.34
Bank Interest Gross	1,722.96	5,009.51
Unclaimed Interim Dividend	0.00	5,268.61
Third Party Funding	125,264.00	125,264.00
	126,986.96	**1,207,996.94**
PAYMENTS		
Legal Fees of SNGL Realisations	57,198.90	57,198.90
Legal Disbursements of SNGL Realisations	515.75	515.75
Joint Liquidators' Remuneration of SNGL	50,000.00	50,000.00
Joint Liquidators' Remuneration	0.00	100,000.00
Joint Liquidators' Disbursements	0.00	4,230.73
Legal Disbursements	515.75	72,008.88
Former Liquidators Disbursements	0.00	1,483.65
Legal Fees	55,580.60	110,813.10
Former Liquidators' Legal Fees	0.00	2,467.71
Corporation Tax	0.00	404.69
Courier Charges	0.00	20.60
Former Liquidators Legal Disbursements	0.00	1,405.00
Statutory Advertising	0.00	84.60
Expert's Costs	125,264.00	125,264.00
Bank Charges - Floating	30.00	30.00
	(289,105.00)	**(525,927.61)**
Net Receipts/(Payments)	**(162,118.04)**	**682,069.33**
MADE UP AS FOLLOWS		
Vat Recoverable Floating		27,070.86
IB Current Floating		154,873.73
Santander 95 Notice Account		500,124.74
	(162,118.04)	**682,069.33**

Appendix C

Details of the Joint Liquidators' time costs and disbursements for both the Period and cumulatively

ABF LIMITED - IN LIQUIDATION

Time charged for the period 30 March 2017 to 29 March 2018

[illegible]	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional / Support	Total Hours	[illegible]	[illegible]
Administration and Planning	**1.50**	**5.70**	**26.60**	**1.50**	**35.30**	**8,184.25**	**231.85**
Case Accounting	0.30		1.50	1.50	3.30	572.50	173.48
Case Accounting - General			6.40		6.40	1,308.00	204.38
Case Control and Review	1.20	2.70	11.70		15.60	3,870.00	248.08
General Administration		3.00	6.30		9.30	2,286.75	245.89
Insurance			0.30		0.30	63.00	210.00
Strategy and Planning			0.40		0.40	84.00	210.00
Asset Realisation	**0.80**				**0.80**	**360.00**	**450.00**
Asset Realisation	0.80				0.80	360.00	450.00
Creditors	**0.90**	**7.25**	**28.70**		**36.85**	**8,788.25**	**238.49**
Employees		0.50			0.50	162.50	325.00
Landlord			0.30		0.30	63.00	210.00
Legal-Creditors			5.80		5.80	1,218.00	210.00
Unsecured Creditors	0.90	6.50	22.60		30.00	7,263.50	242.12
TAX/VAT - Pre-appointment		0.25			0.25	81.25	325.00
Investigation	**33.75**	**195.35**	**260.40**		**489.50**	**151,071.50**	**308.62**
Cartel Claim	32.75	184.25	137.20		354.20	121,169.00	342.09
Forensic		3.00			3.00	975.00	325.00
Investigatory Work		0.85	111.20		112.05	23,601.25	210.63
Legal - Investigations	1.00	7.25	12.00		20.25	5,326.25	263.02
Statutory Compliance	**1.00**	**13.45**	**15.10**		**29.55**	**7,969.75**	**269.70**
Post Appt TAX/VAT		0.25	3.70		3.95	858.25	217.28
Statutory Compliance - General		11.70			11.70	3,802.50	325.00
Statutory Reporting/ Meetings	1.00	1.50	11.40		13.90	3,309.00	238.06
Total hours	**37.95**	**221.75**	**330.80**	**1.50**	**592.00**	**176,373.75**	**297.93**
Total cost £	**20,038.75**	**81,500.00**	**74,678.00**	**157.00**	**176,373.75**		
Average hourly rate £	**528.03**	**367.53**	**225.75**	**104.67**	**297.93**		

[illegible]	[illegible]
Consultancy	700.00
Postage	578.95
Storage	201.98
Computer Consumables	105.90
Delivery	6.35
Property	6.00
Company Search	2.00
Total cost £	**1,601.18**

FRP CHARGE OUT RATES

	From	
Grade	**1st July 2013**	**1st May 2016**
Appointment taker / Partner	400-495	450-495
Manager / Director	270-455	280-465
Other Professional	160-275	165-295
Junior Professional & Support	70-150	80-175

ABF LIMITED - IN LIQUIDATION

Time charged for the period 30 March 2015 to 29 March 2018

	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total hours	Total cost £	Average hourly rate £
Administration and Planning	**29.50**	**30.05**	**54.75**	**1.70**	**116.00**	**32,322.25**	**278.64**
Case Accounting	0.30		4.75	1.50	6.55	1,147.50	175.19
Case Accounting - General			14.70	0.20	14.90	3,007.75	201.86
Case Control and Review	19.20	7.40	18.30		44.90	13,707.50	305.29
General Administration	5.00	15.15	12.90		33.05	9,188.75	278.03
Insurance			0.80		0.80	173.00	216.25
Travel			0.25		0.25	55.00	220.00
Strategy and Planning	5.00	7.50	3.05		15.55	5,042.75	324.29
Asset Realisation	**4.40**	**0.25**	**2.40**		**7.05**	**2,407.25**	**341.45**
Asset Realisation	1.40		0.45		1.85	756.00	408.65
Freehold/Leasehold Property		0.25	0.95		1.20	258.75	215.63
Legal-asset Realisation	3.00		1.00		4.00	1,392.50	348.13
Creditors	**10.10**	**23.75**	**54.60**		**88.45**	**23,100.50**	**261.17**
Employees		9.75	0.80		10.55	3,150.50	298.63
Landlord			1.10		1.10	213.50	194.09
Legal-Creditors	0.50	0.25	9.95		10.70	2,419.50	226.12
Unsecured Creditors	8.10	13.50	42.65		64.25	16,613.75	258.58
Pensions - Creditors	1.50		0.10		1.60	622.00	388.75
TAX/VAT - Pre-appointment		0.25			0.25	81.25	325.00
Investigation	**186.00**	**606.85**	**710.65**	**156.85**	**1,660.35**	**472,482.00**	**284.57**
Cartel Claim	135.65	466.90	435.85	156.85	1,195.25	353,513.00	295.76
CDDA Enquiries			1.15		1.15	253.00	220.00
Forensic	3.25	25.00			28.25	9,612.50	340.27
Investigatory Work	7.50	44.90	214.20		266.60	59,917.25	224.75
Investigatory work - Other		4.50	12.30		16.80	3,943.50	234.73
IT – Investigations	1.50				1.50	555.00	370.00
Legal - Investigations	38.10	65.55	47.15		150.80	44,687.75	296.34
Statutory Compliance	**4.25**	**20.15**	**39.75**		**64.15**	**16,627.75**	**259.20**
Appointment Formalities		2.00	2.25		4.25	1,045.00	245.88
Post Appt TAX/VAT		0.25	8.25		8.50	1,817.25	213.79
Statutory Compliance - General		13.65	3.90		17.55	5,274.75	300.56
Statutory Reporting/ Meetings	4.25	4.25	25.35		33.85	8,490.75	250.83
Total hours	**234.25**	**681.05**	**862.15**	**158.55**	**1,936.00**	**546,939.75**	**282.51**
Total cost £	**110,457.50**	**224,269.25**	**189,938.50**	**22,274.50**	**546,939.75**		
Average hourly rate £	**471.54**	**329.30**	**220.31**	**140.49**	**282.51**		

[illegible]	[illegible]
Consultancy	8,113.50
Postage	2,246.49
Insurance	775.00
Computer Consumables	451.69
Storage	409.06
Advertising	253.80
Delivery	246.65
Travel	104.80
Company Search	42.85
Property	35.00
Telephone	9.36
Parking	6.25
Total cost £	**12,694.45**

FRP CHARGE OUT RATES

Grade	From 1st July 2013	From 1st May 2016
Appointment taker / Partner	400-495	450-495
Manager / Director	270-455	280-465
Other Professional	160-275	165-295
Junior Professional & Support	70-150	80-175

Appendix D

Statement of expenses incurred in both the Period and cumulatively

ABF LIMITED (IN LIQUIDATION)
Statement of expenses for the period ended 29/03/2018 and cumulative period

Expenses	From 30/03/2017 to 29/03/2018 £	From 30/03/2015 to 29/03/2018 £
Office Holders' remuneration (time costs)	176,374	546,940
Office Holders' disbursements	1,601	12,694
SNGL Liquidators' fees	50,000	50,000
Legal fees *	706,082	1,198,048
Legal disbursements (inc. Counsel fees) *	288,894	350,712
Expert's costs	125,264	125,264
SNGL legal fees	57,199	57,199
SNGL legal disbursements	516	516
Former Liquidators' disbursements	-	1,484
Former Liquidators' legal fees	-	2,468
Former Liquidators' legal disbursements	-	1,405
Statutory Advertising	-	85
Corporation Tax	-	405
Courier	-	21
Bank charges	30	30
Total	**1,405,959**	**2,347,269**

* The above costs for the cumulative period include Clyde & Co legal fees of £1,084,689 and Counsel fees of £284,121. Clyde & Co and Counsel are acting in the Cartel matter and have been instructed on a contingent fee basis. If successful, their fees will be subject to an uplift. Given the legal sensitivity around this matter, it would not be appropriate to disclose the level of the uplift.