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

THURSDAY

A863EVDL
A21 23/05/2019 #356
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	2nd Floor
Street	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	Kings Orchard
Street	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	8
To date	2	9	0	3	2	0	1	9

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	2	0	0	5	2	0	1	9

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 2018 to 29 March 2019 pursuant to section 104A of the Insolvency Act 1986 and the Insolvency (England and Wales) Rules 2016

22 May 2019

Contents and abbreviations

FRP Advisory

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 2018 to 29 March 2019
CVL	Creditors' Voluntary Liquidation
SIP	Statement of Insolvency Practice
QFCH	Qualifying floating charge holder
HMRC	HM Revenue & Customs

1. Progress of the liquidation

FRP Advisory

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 2018 to 29 March 2019 ("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

During the Period and since our appointment, we have continued to review several 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, prior to 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 (excluding the Cartel action discussed below). The above assignment value of £127,745 related to the Joint Liquidators' and Gateley's fees incurred in relation to SNGL. The total amount of £107,715 has been paid from ABF's estate in respect of the above (£50,000 Joint Liquidators' fees, £516 Gateley's disbursements and £57,199 Gateley's fees). A balance of £20,030 is therefore due to SNGL and this amount will be transferred from the estate of ABF in due course.

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 was listed for trial on 11 June 2018, however we were able to commence reasonable settlement negotiations with the Supplier prior to the trial window, which concluded in a confidential settlement. The Joint Liquidators and their solicitors consider that the settlement represents a good outcome for the estate given the inherent risk and cost of a trial. Clyde & Co LLP and Counsel acted for the Joint Liquidators in this matter on a contingent fee basis. All legal fees and disbursements, including Counsel's fees, insurance and funding in respect of this matter have been settled out of these funds.

1. Progress of the liquidation

As previously reported, 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 during the Period in 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.

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.

1. Progress of the liquidation

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.

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.
- 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.

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. Fees of £543,792 have been drawn during the Period. Total fees of £643,792 have been drawn since our appointment.

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 and cumulatively 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

FRP Advisory

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

A.B.F. Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 30/03/2018 To 29/03/2019 £	From 30/03/2015 To 29/03/2019 £
	ASSET REALISATIONS		
	Cash at Bank from Former Liquidators	NIL	1,072,158.48
	Rates Refund	NIL	296.34
	Settlement Funds	4,815,000.00	4,815,000.00
	Bank Interest Gross	4,003.04	9,012.55
	Third Party Funding	118,624.00	243,888.00
		4,937,627.04	6,140,355.37
	COST OF REALISATIONS		
	Assignment of Claims	NIL	107,714.65
	Joint Liquidators' Remuneration	543,792.00	643,792.00
	Joint Liquidators' Disbursements	10,782.97	15,013.70
	Legal Disbursements	635,552.50	707,561.38
	Former Liquidators Disbursements	NIL	1,483.65
	Legal Fees	1,858,072.65	1,968,885.75
	Former Liquidators' Legal Fees	NIL	2,467.71
	Corporation Tax	NIL	404.69
	Courier Charges	NIL	20.60
	Former Liquidators Legal Disbursemen	NIL	1,405.00
	Statutory Advertising	NIL	84.60
	Funding Agreement	426,804.00	426,804.00
	Insurer's Costs	770,800.00	770,800.00
	Expert's Costs	118,624.00	243,888.00
	Bank Charges - Floating	NIL	30.00
		-4,364,428.12	-4,890,355.73
	DISTRIBUTIONS		
	Unclaimed Interim Dividend	NIL	5,268.61
		NIL	5,268.61
		573,198.92	**1,255,268.25**
	REPRESENTED BY		
	Vat Recoverable Floating		13,963.74
	IB Current Floating		738,823.46
	Santander 95 DNA/matures 21.6		502,481.05
			1,255,268.25

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 2018 to 29 March 2019

	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total cost (£)	Average hourly rate (£)
Administration and Planning	**0.50**	**4.75**	**15.30**	**1.40**	**21.95**	**5,070.25**	**230.99**
Admin & Planning			0.30		0.30	63.00	210.00
Case Accounting		0.30	3.40	1.40	5.10	900.00	176.47
Case Control and Review	0.50	0.65	1.50		2.65	751.25	283.49
Fee and WIP			2.80		2.80	588.00	210.00
General Administration		3.80	6.50		10.30	2,600.00	252.43
Strategy and Planning			0.80		0.80	168.00	210.00
Creditors	**1.60**	**4.50**	**8.40**		**14.50**	**3,946.50**	**272.17**
Unsecured Creditors	1.60	4.50	8.40		14.50	3,946.50	272.17
Investigation	**63.75**	**144.30**	**52.85**		**260.90**	**102,134.75**	**391.47**
Cartel Claim	63.75	127.50	48.20		239.45	95,811.25	400.13
Forensic- Relativity (Internal)			1.40		1.40	231.00	165.00
FTech - Data Capture		2.30	0.50		2.80	830.00	296.43
FTech - Project Management		0.25	0.25		0.50	106.25	212.50
Investigatory Work		12.00	2.50		14.50	4,425.00	305.17
Legal - Investigations		2.25			2.25	731.25	325.00
Statutory Compliance	**1.00**	**2.90**	**13.00**		**16.90**	**4,122.50**	**243.93**
Statutory Compliance - General		0.50			0.50	162.50	325.00
Statutory Reporting/ Meetings	1.00	2.00	10.20		13.20	3,242.00	245.61
Tax/VAT - Post appointment		0.40	2.80		3.20	718.00	224.38
Total Hours	**66.85**	**156.45**	**89.55**	**1.40**	**314.25**	**115,274.00**	**366.82**
Total Cost (£)	**36,138.75**	**57,176.50**	**21,814.75**	**144.00**	**115,274.00**		
Average hourly rate (£)	**540.59**	**365.46**	**243.60**	**102.86**	**366.82**		

FRP CHARGE OUT RATES

Grade	From **1st July 2013**	**1st May 2016**
Appointment taker / Partner	370-400	370-450
Manager / Director	270-370	280-370
Other Professional	160-225	165-230
Junior Professional & Support	70-105	80-110

Disbursements	Value (£)
Postage	811.00
Storage	587.44
Cartel Claim	557.11
Prof. Services	49.93
Computer Consumables	-
Total Hours	**2,005.48**

ABF LIMITED - IN LIQUIDATION
Time charged for the period 30 March 2015 to 29 March 2019

Time and Disbursements — Timesheet entries

	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total cost (£)	Average hourly rate (£)
Administration and Planning	**30.00**	**35.00**	**69.85**	**3.10**	**137.95**	**37,392.50**	**271.06**
Admin & Planning			0.30		0.30	63.00	210.00
Case Accounting	0.30	0.50	7.95	2.90	11.65	2,047.50	175.75
Case Accounting - General			14.70	0.20	14.90	3,007.75	201.86
Case Control and Review	19.70	8.05	19.80		47.55	14,458.75	304.07
Fee and WIP			2.80		2.80	588.00	210.00
General Administration	5.00	18.95	19.40		43.35	11,788.75	271.94
Insurance			0.80		0.80	173.00	216.25
Strategy and Planning	5.00	7.50	3.85		16.35	5,210.75	318.70
Travel			0.25		0.25	55.00	220.00
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	**11.70**	**28.25**	**63.00**		**102.95**	**27,047.00**	**262.72**
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
Pensions - Creditors	1.50		0.10		1.60	622.00	388.75
TAX/VAT - Pre-appointment		0.25			0.25	81.25	325.00
Unsecured Creditors	9.70	18.00	51.05		78.75	20,560.25	261.08
Investigation	**249.75**	**751.15**	**763.50**	**156.85**	**1,921.25**	**574,616.75**	**299.08**
Cartel Claim	199.40	594.40	484.05	156.85	1,434.70	449,324.25	313.18
CDDA Enquiries			1.15		1.15	253.00	220.00
Forensic	3.25	25.00			28.25	9,612.50	340.27
Forensic- Relativity (Internal)			1.40		1.40	231.00	165.00
FTech - Data Capture		2.30	0.50		2.80	830.00	296.43
FTech - Project Management		0.25	0.25		0.50	106.25	212.50
Investigatory Work	7.50	56.90	216.70		281.10	64,342.25	228.89
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	67.80	47.15		153.05	45,419.00	296.76
Statutory Compliance	**5.25**	**23.05**	**52.75**		**81.05**	**20,750.25**	**256.02**
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		14.15	3.90		18.05	5,437.25	301.23
Statutory Reporting/ Meetings	5.25	6.25	35.55		47.05	11,732.75	249.37
Tax/VAT - Post appointment		0.40	2.80		3.20	718.00	224.38
Total Hours	**301.10**	**837.70**	**951.50**	**159.95**	**2,250.25**	**662,213.75**	**294.28**
Total Cost (£)	**146,596.25**	**281,491.75**	**211,707.25**	**22,418.50**	**662,213.75**		
Average hourly rate (£)	**486.87**	**336.03**	**222.50**	**140.16**	**294.28**		

FRP CHARGE OUT RATES — From

Grade	1st July 2013	1st May 2016
Appointment taker / Partner	370-400	370-450
Manager / Director	270-370	280-370
Other Professional	160-225	165-230
Junior Professional & Support	70-105	80-110

Time and Disbursements — Disbursement

Disbursements	Value (£)
Cartel Claim	9,197.84
Postage	3,057.49
Storage	848.02
Insurance	775.00
Advertising	253.80
Courier	246.65
Computer Consumables	105.90
Travel	88.20
Prof. Services	49.93
Company Search	38.85
Property	32.00
Parking	6.25
Total Hours	**14,699.93**

Appendix D

Statement of expenses incurred in both the Period and cumulatively

ABF LIMITED (IN LIQUIDATION)
Statement of expenses for the period ended 29/03/2019 and cumulative period

Expenses	From 30/03/2018 to 29/03/2019 £	From 30/03/2015 to 29/03/2019 £
Office Holders' remuneration (time costs)	115,274	662,214
Office Holders' disbursements	2,005	14,700
Legal fees	770,838	1,968,886
Legal disbursements (inc. Counsel fees)	356,849	707,561
Expert's costs	118,624	243,888
Funding agreement	426,804	426,804
Insurer's costs	770,800	770,800
Assignment of Claims	-	107,751
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
Total	**2,561,194**	**4,908,466**