

Section 94

The Insolvency Act 1986

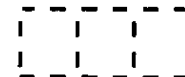
Return of Final Meeting in a Members' Voluntary Winding Up

S.94

Pursuant to Section 94 of the
Insolvency Act 1986

To the Registrar of Companies

For official use



Company Number

00706636

Name of Company

(a) Insert full name of company

H B Hughes & Son Ltd

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

I/We

Shay Lettice
Salisbury House
Station Road
Cambridge
CB1 2LA

Kate Merry
Salisbury House
Station Road
Cambridge
CB1 2LA

(c) Delete as applicable

(d) Insert date

(e) The copy account
must be authenticated by
the written signature(s) of
the liquidator(s)

give notice that a general meeting of the company was duly held on/ ~~summoned~~ for 23 January 2014 pursuant to section 94 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of and that the same was done accordingly/ ~~no quorum was present at the meeting~~

The meeting was held at Salisbury House, Station Road, Cambridge, CB1 2LA

The report covers the period from 08 October 2012 (commencement of winding up) to 23 January 2014 (close of winding up)

The outcome of the meeting (including any resolutions passed at the meeting) was as follows

The Joint Liquidators will be released from office after complying with Section 94 (3) of the Insolvency Act 1986

Signed 

Date 23 January 2014

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

Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA
Ref HM008/SL/KM/MT

For Official Use

Liquidation Section

Post Room

SATURDAY



A30C4T4Z

A08

25/01/2014

#321

COMPANIES HOUSE

**Joint Liquidators'
Final Report
to Members**

H.B Hughes & Son Limited

- In Liquidation

23 January 2014

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- 9 Conclusion

APPENDICES

- A Receipts and Payments Account showing the following periods -
 - 08 October 2013 to 23 January 2014
 - 08 October 2012 to 23 January 2014
- B Time Analysis for the period 08 October 2012 to 07 October 2013
- C Time Analysis for the period 08 October 2013 to 22 November 2013
- D Cumulative Time Analysis for the Period from 08 October 2012 to 22 November 2013
- E Additional Information in relation to Liquidators' fees pursuant to Statement of Insolvency Practice No 9 (SIP9)

1 Introduction

- 1 1 Shay Lettice and Kate Merry of Peters Elworthy & Moore, Salisbury House, Station Road, Cambridge, CB1 2LA, were appointed Joint Liquidators of H B Hughes & Son Limited (the Company) on 08 October 2013. This report provides a summary of the outcome of the Liquidation of the Company which has now been completed.
- 1 2 The trading address of the Company was Great Clerkes Farm, Little Sampford, Saffron Walden, Essex, CB10 2QJ.
- 1 3 The registered office of the Company was changed to Salisbury House, Station Road, Cambridge, CB1 2LA and its registered number is 00706636.
- 1 4 At Appendix A, is my Receipts and Payments Account covering the period ended 23 January 2014. The Receipts and Payments account also shows a comparison to the Declaration of Solvency values and provides details of the remuneration charged and expenses incurred and paid by the Liquidators during the period of this report. Further information on the Liquidators' remuneration can be found in Section 5 below.

2 Progress of the Liquidation

Cash at Bank

- 2 1 The company had cash at bank held with Barclays Bank Plc and following our appointment, I arranged for all funds to be transferred into the Liquidation account and a total of £160,762.66 was received. Included in this amount was a payment received in error of £850 and this payment should have been paid into the new partnership account. Accordingly, I arranged for this payment to be sent from the Liquidation account. After taking into account this deduction, total cash at bank received was £159,912.66.

Plant and Machinery

- 2 2 The list of all Plant and Machinery, which was valued and prepared by the director of the company, was circulated to all shareholders of the company on the 25 October 2012. The total value of the Plant and Machinery was £18,550.00, which included a motor vehicle, valued at £300.00. All shareholders agreed to this value being attributed to the assets and, in accordance with their instructions, the Plant and Machinery were distributed to Mr Simon Hughes by way of a distribution in specie, details of which are shown below.

Book Debts

- 2 3 Total book debts are £89,640 06, which are made up as follows -

	£
Single farm payment 2012	16,638 32
EW Davies – Sale of harvested crops	72,859 74
Mr Brazier	142 00
	<hr/>
	89,640 06
	<hr/>

- 2 4 The sale of harvested crops with EW Davies was off-set against costs and charges incurred by them in respect of the harvest of £72,449 78 Accordingly the difference of £409 96 has been received in the Liquidation

Shares and Investments

- 2 5 The company held 100 shares in Samco & Shrim Farmers Ltd, a former supplier of the company The director of the company arranged for these shares to be sold and a payment of £100 was received and paid into the Liquidation account

VAT Refund

- 2 6 My firm's accounts department prepared the company's pre-liquidation VAT return and a refund of £12,673 25 has been received All post-liquidation VAT returns have been submitted on a timely basis and where relevant VAT refunds have been received HM Revenue and Customs (HMRC) have confirmed that there are no VAT matters outstanding and have no objection to the Liquidation being concluded

PAYE Repayment

- 2 7 Whilst obtaining PAYE tax clearance from HMRC they identified an overpayment on the PAYE account of £2,461 17 HMRC has advised that the overpayment relates to previous periods in 2007/08 and 2011/12 Accordingly, the repayment has been received and paid into the Liquidation account HMRC, PAYE/NIC tax department has also confirmed that there are no outstanding matters and provided tax clearance to conclude the Liquidation

HMRC – Corporation Tax

- 2 8 My firm's tax department submitted the pre-liquidation and post-liquidation corporation tax returns which showed a total tax liability of £6,807 27 This amount was paid to HMRC from the Liquidation HMRC confirmed all outstanding matters have been dealt with and provided tax clearance to conclude the Liquidation

3 Outcome for Creditors

Directors Loan Accounts

- 3 1 In accordance with the company records a total amount of £11,566 08 was due to the directors of the company in respect of their outstanding loan accounts On the 22 November these loan accounts were settled from the Liquidation

Unsecured Creditors

- 3 2 I received claims totalling £73,021 73 from five creditors, detailed below

	£
EW Davies – Cost of farming contract	72,449 78
Affinity Water	212 52
CB Mower Services Ltd	28 00
H Lowe & Co	84 04
E-on	247 39
	<hr/>
	73,021 73

- 3 3 Please note that the claim from EW Davies is in respect of costs and charges in relation to the farming contract As advised above, this claim has been off-set against the above book debt
- 3 4 I can confirm that all unsecured creditors have been paid in full, together where applicable with statutory interest covering the period since my appointment of £0 73

4 Distributions to Members

Cash Distribution

4 1 As you are aware, on 04 January 2013, I made a first distribution of £11 855 per share to all members in respect of their 10,000 shareholdings, totalling £118,550. As a result of the distribution in specie, detailed below, Mr Simon Hughes received £18,550 less in his cash distribution. Accordingly, total cash distributed to shareholders, in respect of the first distribution amount to £100,000 02.

4 2 I have now declared a final distribution of £5 02 per share totalling £50,169 54, cheques will be sent out to all shareholders shortly under separate cover.

Distribution in Specie

Plant and Machinery

4 3 In accordance with the shareholders instructions, on the 22 November 2012, I distributed in specie the company's Plant and Machinery including a motor vehicle, with a total value of £18,550, to a shareholder of the company, Mr Simon Hughes. As a result of this distribution, Mr Hughes received £18,550 less from his first cash distribution.

Future Entitlements to Single Farm Payments

4 4 The future entitlements to the single farm payments were estimated to have a value of £16,602 49, based on amounts received by the company in the previous year. On the 21 May 2013, I distributed by way of a distribution in specie, the future entitlements for the single farm payments from the company to all shareholders in accordance with their shareholdings.

4 5 It should be noted that all distributions made may have tax implications and should be included on the relevant tax return for the fiscal year.

5 Liquidators' Remuneration

5 1 At the first meeting of members, it was resolved that our remuneration would be calculated on the basis of time costs properly incurred.

5 2 My time costs for the period from 08 October 2012 are £17,493 00. This represents 139 15 hours at an average rate of £125 71 per hour.

5 3 Attached at Appendix B and C is a Time Analysis which provides details of activity costs incurred by staff in respect of costs fixed by reference to time properly incurred by us.

managing the Liquidation

The activities undertaken include -

- Attending to all statutory duties required by the Liquidators,
- Arranging for the bank to transfer funds into the Liquidation account,
- Liaising with directors/ shareholders in respect of the valuation of the company's plant and machinery,
- Distribution in specie of the plant and machinery to one shareholder,
- Paying first cash distribution and compiling balancing calculation, taking into account the above distribution in specie,
- Arrange for funds received in error to be paid to the partnership of HB Hughes
- Liaising with directors to ensure completion of all PAYE/ NIC P35 returns and P45,
- Dealing with payment received from Samco shares and payments received from debtors,
- Dealing with queries raised in respect of creditors claims,
- Liaising with directors in respect of the settlement of company unsecured trade creditors,
- Arrange for the settlement of all directors loan accounts,
- Liaising with agents and directors to discuss the valuation of future entitlements to the single farm payments,
- Liaising with all shareholders regarding the distribution in specie of future entitlements,
- Liaising with directors in respect of payment received from the single farm payment to be off-set against the farming contractor,
- Liaising with the firm's accounts and tax department in respect of the preparation of the company accounts and corporation tax returns for the pre-liquidation and post-liquidation periods,
- Submission of relevant VAT returns and obtaining VAT refunds due to the company,
- Liaising with HMRC in respect of the PAYE/NIC overpayment,
- Liaising with HMRC and obtaining tax and VAT clearance to conclude the liquidation

- 5.4 Also attached as Appendix D is a cumulative Time Analysis for the period from 08 October 2012 to 22 November 2013 which provides details of total time costs since the date of our appointment
- 5.5 As a result of having to deal with the above additional matters, our time costs are higher than we had originally envisaged. As you are aware, fees have previously been drawn of £10,852.50 plus VAT on account and I have now raised a final invoice of £4,147.50 plus VAT, bringing total time costs drawn of £15,000. The remaining balance of £2,493 plus our time costs to conclude the Liquidation of approximately £800 will be written-off.
- 5.6 Attached as Appendix E is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade.
- 5.7 As required, a guide to our remuneration, which incorporates this firm's disbursements policy, may be found at the following website: <http://www.pem.co.uk/how-we-help/business/pem-recovery/insolvency-practitioners-guides>. If you do not have internet access, I can arrange for the guide to be posted to you.

6 Liquidators' Disbursements

- 6.1 We have recharged the following disbursements totalling £471.00 -

	£
Company Search	2.00
Sweating fee	5.00
Specific Penalty Bond	200.00
Statutory Advertising	257.50
Photocopy and postage	6.50
Total	471.00

7 Members' Rights

- 7.1 Within 21 days of the receipt of this report, members with either at least 5% of the total voting rights of all the members having the right to vote at general meetings of the Company or with the permission of the court, may request in writing that the Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.
- 7.2 Any members with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the Company may within 8 weeks of receipt of this progress

report, make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidators, as set out in this progress report, are excessive

8 Notice of Final Meeting of Members

8 1 Notice is hereby given pursuant to Section 94 of the Insolvency Act 1986 that a final meeting of Members of the Company will be held at Salisbury House, Station Road, Cambridge, CB1 2LA on 23 January 2014 at 10 00 am for the purpose of receiving a final account of the Liquidators' acts and dealings and of the conduct of the winding up

8 2 The following resolution will be put to the meeting

- that the Joint Liquidators be released from office

8 3 A proxy form is attached which please complete if you wish to be represented at the meeting

9 Conclusion

This report together with the Final Meeting of Members will conclude the administration of the Liquidation and I would expect the company to be dissolved in about April 2014

Yours faithfully



Shay Lettice
Joint Liquidator

Enc

Appendix A

H B Hughes & Son Limited (in Members' Voluntary Liquidation)

Liquidator's Receipts and Payments Account

	Note	Declaration of Solvency Values	Period 08 October 2013 to 23 January 2014	Period 08 October 2012 to 23 January 2014
Receipts		£	£	£
Cash at Bank		160,187 00	-	159,912 66
Plant & Machinery	1	14,137 00	-	-
Book Debts		90,614 00	-	89,640 06
Shares and Investments		100 00	-	100 00
Future Entitlements to SFP	2	-	-	-
Third party funds received in error		-	-	850 00
VAT refund		-	-	12,673 25
PAYE repayment		-	2,461 17	2,461 17
Bank Interest Gross		-	-	59 23
VAT Payable		-	1,927 68	4,191 49
		<u>265,038 00</u>	<u>4,388 85</u>	<u>269,887 86</u>
Payments				
Liquidator's Fee			4,147 50	15,000 00
Liquidator's Disbursements			73 50	471 00
PEM Accountancy and Tax Fee			-	7,370 00
Trade & Expense Creditors			296 87	73,021 73
Directors Loan Accounts			-	11,566 08
Corporation Tax Liability			-	6,807 27
VAT			-	440 00
Statutory interest			-	0 73
Third party funds received in error			-	850 00
VAT Receivable			844 20	4,191 49
1 st Distribution to shareholders				
04 01 2013 £11 855 per 1p share			-	100,000 02
2 nd Distribution to shareholders				
19 11 2013 £5 02 per 1p share			50,169 54	50,169 54
			<u>55,531 61</u>	<u>269,887 86</u>

Note:

- 1 The plant and machinery, which included the company motor vehicle, was estimated to have a total value of £18,550. In accordance with the shareholders' instructions, these assets were distributed to one of the shareholders of the company, Mr Simon Hughes, on the 22 November 2012 by way of a distribution in specie.
- 2 The future entitlement to the single farm payments was estimated to have a value of £16,602 49, based on amounts received by the company in the previous year. On the 21 May 2013, I distributed in specie these entitlements to all members of the company, in accordance with their shareholding.

Appendix B

H B Hughes & Son Limited
(in Members Voluntary Liquidation)
Summary of time costs for the period
08 October 2012 to 07 October 2013

	Partner	Director/Manager	Assistant Manager/Senior Administrator	Administrators	Total hours	Time Cost	Average Rate
Pre-appointment	3 70	3 20	-	20 75	27 65	3,277 50	118 54
Administration & planning	5 80	8 70	0 30	35 80	50 60	7,188 00	142 05
Asset realisations	0 30	0 50	-	22 80	23 60	2,343 00	99 28
Creditors	1 80	1 10	-	15 90	18 80	2,225 50	118 38
Total Costs	3,248 00	3,105 00	42 00	8,639 00	-	15,034 00	-
Total Hours	11 60	13 50	0 30	95 25	120 65	-	-

*The charge out rates shown are the average rates for each grade of staff The total average time cost is £124 61

Historical charge-out rates

As my firm's fees are based on time costs, Statement of Insolvency Practice 9 requires me to provide you with details of "any material changes in the rates charged for the various grades since the resolution was first passed" I therefore set out below a summary of charge-out rates Hourly rates vary depending on market rates, qualifications and experience of various grades of staff As detailed my firms fees are based on time costs, time is recorded in 6 minute units

Period commencing	Partner Hourly rate £	Director Hourly/Senior Manager rate £	Manager Hourly rate £	Assistant Manager Hourly rate £	Senior Administrator Hourly rate £	Administrator Hourly rate £	Trainee Administrator (2) Hourly rate £	Insolvency Assistant rate £
May 2012	280 00	230 00	200 00	170 00	140 00	115 00	75 00	50 00

Appendix C

H B Hughes & Son Limited (in Members Voluntary Liquidation) Cumulative Time Analysis for the Period 08 October 2013 to 22 November 2013

	Partner	Director/Manager	Assistant Manager/Senior Administrator	Administrators	Total hours	Time Cost	Average Rate
Pre-appointment	-	-	-	-	-	-	-
Administration & planning	1 20	0 70	-	13 30	15 20	2,020 00	132 89
Asset realisations	-	-	-	1 70	1 70	189 00	111 18
Creditors	0 40	-	-	1 20	1 60	250 00	156 25
Total Costs	448 00	161 00	-	1,850 00	-	2,459 00	-
Total Hours	1 60	0 70	-	16 20	18 50	-	-

*The charge out rates shown are the average rates for each grade of staff The total average time cost is £132 92

Historical charge-out rates

As my firm's fees are based on time costs, Statement of Insolvency Practice 9 requires me to provide you with details of "any material changes in the rates charged for the various grades since the resolution was first passed" I therefore set out below a summary of charge-out rates Hourly rates vary depending on market rates, qualifications and experience of various grades of staff As detailed my firms fees are based on time costs, time is recorded in 6 minute units

Period commencing	Partner Hourly rate £	Director Hourly/Senior Manager rate £	Manager Hourly rate £	Assistant Manager Hourly rate £	Senior Administrator Hourly rate £	Administrator Hourly rate £	Trainee Administrator (2) Hourly rate £	Insolvency Assistant rate £
May 2012	280 00	230 00	200 00	170 00	140 00	115 00	75 00	50 00

Appendix D

H B Hughes & Son Limited (in Members Voluntary Liquidation) Cumulative Time Analysis for the Period 08 October 2012 to 22 November 2013

	Partner	Director/Manager	Assistant Manager/ Senior Administrator	Administrators	Total hours	Time Cost	Average Rate
Pre-appointment	3 70	3 20	-	20 75	27 65	3,277 50	118 54
Administration & planning	7 00	9 40	0 30	49 10	65 80	9,208 00	139 94
Asset realisations	0 30	0 50	-	24 50	25 30	2,532 00	107 74
Creditors	2 20	1 10	-	17 10	20 40	2,475 50	121 35
Total Costs	3,696 00	3,266 00	42 00	10,489 00	-	17,493 00	-
Total Hours	13 20	14 20	0 30	111 45	139 15	-	-

*The charge out rates shown are the average rates for each grade of staff The total average time cost is £125 71

Historical charge-out rates

As my firm's fees are based on time costs, Statement of Insolvency Practice 9 requires me to provide you with details of "any material changes in the rates charged for the various grades since the resolution was first passed" I therefore set out below a summary of charge-out rates Hourly rates vary depending on market rates, qualifications and experience of various grades of staff As detailed my firms fees are based on time costs, time is recorded in 6 minute units

Period commencing	Partner Hourly rate £	Director Hourly/Senior Manager rate £	Manager Hourly rate £	Assistant Manager Hourly rate £	Senior Administrator Hourly rate £	Administrator Hourly rate £	Trainee Administrator (2) Hourly rate £	Insolvency Assistant rate £
May 2012	280 00	230 00	200 00	170 00	140 00	115 00	75 00	50 00

Appendix E

ADDITIONAL INFORMATION IN RELATION TO LIQUIDATORS' FEES PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9 (SIP9)

Policy

Detailed below is Peters Elworthy & Moore's policy in relation to

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

Staff allocation and the use of subcontractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level.

We have not utilised the services of any sub-contractors in this case.

Professional advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
PEM – Tax and Accountancy	Hourly rate and disbursements

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental

services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred by Peters Elworthy & Moore for the provision of services which include an element of recharged overhead, for example, room hire or document storage. On this case the following Category 2 disbursements have been incurred since 08 October 2013:

Type & Purpose	£
Photocopying	1.20
Total	1.20

Charge-out Rates

A schedule of Peters Elworthy & Moore's charge-out rates was issued to members at the time the basis of the Liquidators' remuneration was approved. Details of this firm's charge out rates which have been applied with effect from 08 October 2012 are included in Appendix D.