

# REC1

## Notice of administrative receiver's report



Companies House



<b>1</b>	<b>Company details</b>	
Company number	0 1 2 9 5 6 5 0	<b>→ Filling in this form</b> Please complete in typescript or in bold black capitals.
Company name in full	A&R Hughes (Academy Garage) Limited	
<b>2</b>	<b>Administrative receiver's name</b>	
Full forename(s)	Ian J	
Surname	Gould	
<b>3</b>	<b>Administrative receiver's address</b>	
Building name/number	Two Snowhill	
Street		
Post town	Birmingham	
County/Region		
Postcode	B 4 6 G A	
Country		
<b>4</b>	<b>Administrative receiver's name ①</b>	
Full forename(s)	Edward T	<b>① Other administrative receiver</b> Use this section to tell us about another administrative receiver.
Surname	Kerr	
<b>5</b>	<b>Administrative receiver's address ②</b>	
Building name/number	Pannell House	<b>② Other administrative receiver</b> Use this section to tell us about another administrative receiver.
Street	159 Charles Street	
Post town	Leicester	
County/Region		
Postcode	L E 1 1 L D	
Country		

REC1

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Attachments

I attach:

- ☒ Report  
☐ Statement of affairs  
☐ Any statement of concurrence

7

Sign and date

Administrative  
receiver's signature

Signature

X



X

Signature date

<sup>d</sup> 1 <sup>d</sup> 6

<sup>m</sup> 0 <sup>m</sup> 5

<sup>y</sup> 2 <sup>y</sup> 0 <sup>y</sup> 1 <sup>y</sup> 7

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## Notice of administrative receiver's report



### 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

Stephen Massey

Company name

BDO LLP

Address

Two Snowhill

Post town

Birmingham

County/Region

Postcode

B

4

6

G

A

Country

DX

Telephone

0121 352 6200



### 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

16 May 2017

Our Ref 021228/SPM/K/A6

Please ask for  
S P Massey  
0121 352 6401**TO ALL KNOWN CREDITORS**

Dear Sir(s)

**A&R Hughes (Academy Garage) Limited - In Administrative Receivership ("the Company")**

I refer to previous correspondence concerning my appointment as Joint Administrative Receiver of the Company on 16 February 2017. I am now in a position to present my formal report on the Company as required by Section 48(2) of the Insolvency Act 1986.

**1 Statutory Information****Company Number:** 01295650**Date of Incorporation:** 25 January 1977**Registered Office:** c/o BDO LLP  
Two Snowhill  
Birmingham  
B4 6GA

Formerly:

Academy Garage  
Holt  
Wrexham  
Clwyd, LL13 9XL**Directors:** Mr Desmond Whilding  
Mrs Gillian Mary Hughes-Whilding  
Mr Leonard Ian Carl Stritch**Secretary:** Mr Leonard Ian Carl Stritch

<b>Shareholders:</b>	<b>No of £1 shares held</b>
Mr Desmond Whilding	177,692
Mrs Gillian Hughes-Whilding	23,077
Mr Leonard Ian Carl Stritch	30,000
	<hr/> 230,769 <hr/>

**The Administrative Receivers:** Ian J Gould (officeholder No:7866) and Edward T Kerr (officeholder No:9021) of BDO LLP, Two Snowhill, Birmingham, B4 6GA, and they were appointed administrators of the company on 16 February 2017.

## **2 Events leading to the appointment of Joint Administrative Receivers**

The Company was incorporated in 1977 and traded as vehicle dealerships from two locations in Clwyd. Anthony John Patrick Brereton and Ian Clifford Powell were originally appointed Joint Administrative Receivers on 7 February 1992. They ceased to act on 27 April 1998 having distributed all funds as then available. There were no surplus funds and as a result no liquidator was appointed.

A court case provided an opportunity for companies to make a retrospective VAT reclaim primarily in respect of certain motor vehicle related transactions. The charge-holder, HSBC Bank Plc ("HSBC"), had not recovered their full advance to the Company during the original Administrative Receivership. Accordingly they have appointed Joint Administrative Receivers who would have the necessary authority to make a reclaim for VAT.

J M Wright and C K Rayment were appointed as Joint Administrative Receivers on 30 March 2009 under the powers contained in a Debenture dated 7 August 1990 in favour of HSBC. Both J M Wright and C K Rayment subsequently retired from this firm and resigned as Administrative Receivers. The secured creditor, HSBC, appointed Ian Gould and me to act as Joint Administrative Receivers on 16 February 2017 to ensure that any assets of the Company remained under the control of Receivers despite the resignations of the previous appointees.

## **3 Events following the appointment of Joint Administrative Receivers**

The retrospective VAT reclaim was submitted during the appointment of Messrs Wright and Rayment and was successful. There is the prospect of further realisations in respect of how the interest on the claim was calculated and whether this was done correctly. This is currently subject to debate with a number of cases having either gone to court or pending. The European Court made a judgement on 19 July 2012 that the decision as to whether or not compound interest should be paid should be passed back to the national courts. The Littlewoods case, on which the Company's claim was seeking to ride on the back of, was heard and was successful. However, HMRC has indicated that the success of that case, which was heard in the High Court, is based on the facts of that particular case. The tribunal route cases are still waiting to proceed. The Littlewoods case may have a bearing on the outcome of these cases, but does not appear to guarantee success. It is thought that a judgement as to whether or not compound interest is paid, together with any subsequent appeals process, may be made within the next one to five years, and I believe that the potential recovery, pending the result of a court hearing, justified the appointment of me and Ian after the resignations of the previous appointees following their retirement from this firm.

## **4 Receipts and payments account**

A current receipts and payments account is enclosed which I trust you will find self-explanatory.

**5 Statement of Affairs**

The directors have not submitted a Statement of Affairs. A summary of assets and liabilities is attached, based on information available to me from the Company's records.

**6 Prescribed Part**

On 15 September 2003 a change to the Insolvency Act 1986 was introduced. This required that, where a floating charge was created after that date, before any distribution can be made to the floating chargeholder, funds must be set aside for the unsecured creditors and this is known as the prescribed part. In respect of the Company, no floating charge was created after 15 September 2003 and, therefore, the provision regarding the prescribed part does not apply.

**7 Creditors' Claims****7.1 Secured Creditor**

At 10 March 2009, the Company owed £261,629 to HSBC before interest and charges, secured by fixed and floating charges dated 7 August 1990. An amount of £40,424 has subsequently been distributed to HSBC but not in the period since my appointment so this is not shown on the enclosed receipts and payments account.

**7.2 Preferential Creditors**

The Company has no known preferential creditors.

**7.3 Unsecured Creditors**

The amount due to the unsecured creditors according to the records available to me is estimated to be £400,000. Due to the age of these debts, however, it is anticipated that they are statute barred under the Limitation Act. It is anticipated that there will be insufficient funds to pay the secured creditors in full. Consequently, there will be no funds available for distribution to unsecured creditors whether their claims are valid or barred.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

**8 Creditors' committee**

Administrative Receivers are not empowered to make payments to unsecured creditors and if funds are available for such payment is usually organised via a liquidation. Additionally, apart from this report and statutory accounts filed at Companies House, an Administrative Receiver makes no reports to the creditors. Creditors may, if they wish, seek to establish a creditors' committee, comprising between 3 to 5 committee members. In this instance, however, as stated above I believe that any claims against the Company are statute barred under the Limitation Act and, consequently, I do not believe that there are sufficient creditors to form a committee. Should any party

believing that they are a creditor wish to form a committee then please do not hesitate to contact my colleagues or me and further consideration will be given to this.

Should you have any queries on the content of this report, please do not hesitate to contact my colleague, Stephen Massey, in the first instance.

Yours faithfully  
For and on behalf of  
A&R Hughes (Academy Garage) Limited



Edward T Kerr  
Joint Administrative Receiver

*Edward T Kerr is authorised by the Institute of Chartered Accountants in England and Wales in the UK to act as an Insolvency Practitioner. The affairs, business and property of the companies are being managed by the Joint Administrative Receivers who act as agents and without personal liability.*

Enc

**A&R Hughes (Academy Garage) Limited**  
**(In Administrative Receivership)**  
**Joint Administrative Receivers' Abstract of Receipts & Payments**  
**To 16/05/2017**

S of A £	£	£
<b>ASSET REALISATIONS</b>		
Transfer from Previous Admin Receiver	682.03	
Interest Gross	0.08	
		682.11
		682.11
<b>REPRESENTED BY</b>		
Floating Current Account		682.11
		682.11



**A&R Hughes (Academy Garage) Limited**  
**(In Administrative Receivership)**  
**Estimated Summary of Assets and Liabilities**  
**As at 16 February 2017**

	Book Value		Estimated to Realise	
	£	£	£	£
<b>ASSET REALISATIONS</b>				
Transfer from Previous Administrative Receiver	Nil		682	
Potential Claim for Interest			Uncertain	
	<hr/>	Nil	<hr/>	682
<b>FLOATING CHARGE CREDITORS</b>				
HSBC Bank Plc			221,205	
				(221,205)
<b>Estimated deficiency after floating charges</b>			<hr/>	<b>(220,523)</b>
<b>Unsecured non-preferential claims (Excluding Shortfall to floating charge holders)</b>				
Trade & Expense Creditors		Nil		Nil
<b>Estimated deficiency as regards creditors</b>			<hr/>	<b>(220,523)</b>
<b>Issued and called up capital</b>				
Ordinary shareholders			230,769	
			<hr/>	<b>(230,769)</b>
<b>Estimated total deficiency as regards members</b>			<hr/>	<b>(451,292)</b>

BDO LLP  
Two Snowhill  
Birmingham  
B4 6GA

  
Edward T Kerr  
Joint Administrative Receiver

**Proof of Debt/Claim Form**  
**A&R Hughes (Academy Garage) Limited - In Administrative Receivership**  
**Registered Number: 01295650**

Debt as at the date of the appointment of Administrative Receivers: 16 February 2017

1	Name of creditor (If a company please also give company registration number and where registered).	
2	Address of creditor including email address for correspondence.	
3	Total amount of claim, including any Value Added Tax at the above date.	
4	If amount in 3 above includes outstanding un-capitalised interest please state amount.	£
5	Particulars of how and when debt incurred. (If you need more space append a continuation sheet to this form).	
6	Particulars of any security held, the value of the security, and the date it was given.	
7	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
8	Provide details of any documents by reference to which the debt can be substantiated. (Note: There is no need to attach them now but the Administrative Receiver may call for any document or evidence to substantiate the claim at their discretion as may the chairman or convener of any meeting).	
9	Signature of creditor or person authorised to act on his behalf  _____	Dated  _____
Name in BLOCK LETTERS  _____		
Position with or in relation to creditor  _____		
Address of person signing (if different from 2 above)  _____		

Deliver to the Joint Administrative Receiver, Edward T Kerr, Business Restructuring, BDO LLP, Two Snowhill, Birmingham, B4 6GA.