

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 0 3 4 0 9 0 2

Company name in full Andrew Kirk & Company

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Paul

Surname Cooper

3 Liquidator's address

Building name/number 26-28

Street Bedford Row

Post town London

County/Region

Postcode W C 1 R 4 H E

Country

4 Liquidator's name ①

Full forename(s) Paul

Surname Appleton

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 26-28

Street Bedford Row

Post town London

County/Region

Postcode W C 1 R 4 H E


Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

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6	Period of progress report															
From date	d	2	d	7	m	1	m	1	y	2	y	0	y	1	y	9
To date	d	2	d	6	m	1	m	1	y	2	y	0	y	2	y	0
7	Progress report															
	<input checked="" type="checkbox"/> The progress report is attached															
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	d	2	d	2	m	0	m	1	y	2	y	0	y	2	y	1

**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 Paul Cooper

Company name David Rubin & Partners

Address 26 - 28 Bedford Row

Post town London

County/Region

Postcode WC1R 4HE

Country

DX

Telephone 020 7400 7900

**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

IN THE MATTER OF
ANDREW KIRK & COMPANY - IN LIQUIDATION
AND
THE INSOLVENCY ACT 1986

THE JOINT LIQUIDATORS' FIRST ANNUAL PROGRESS REPORT
PURSUANT TO SECTION 92A OF THE INSOLVENCY ACT 1986
AND
RULE 18.2 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016
FOR THE YEAR ENDED 26 NOVEMBER 2020

ANDREW KIRK & COMPANY - IN LIQUIDATION
Annual Progress Report pursuant to Section 92A of the Insolvency Act 1986

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ANDREW KIRK & COMPANY - IN LIQUIDATION
Annual Progress Report pursuant to Section 92A of the Insolvency Act 1986

(a) Introduction

The Company was placed into Liquidation by a Special Resolution of the Members on 27 November 2019. This report provides an update on the progress in the Liquidation pursuant to Section 92A of the Insolvency Act 1986 for the year ended 26 November 2020.

Rule 18.3: Progress Report

(b) Statutory Information

Company name: Andrew Kirk & Company
Registered office: 26 - 28 Bedford Row, London, WC1R 4HE
Company number: 00340902
Trading address: 4th Floor, 7-10 Chandos Street, London, W1G 9DQ

(c) Joint Liquidators' Names and Addresses:

Paul Cooper, Office Holder Number: 15452, and Paul Appleton, Office Holder Number: 8883, both of David Rubin & Partners, and they may be contacted in writing at 26 - 28 Bedford Row, London, WC1R 4HE.

(d) Any changes in the Office Holders

My Partner Paul Appleton and I were appointed Joint Liquidators of the Company on 27 November 2019. There has not been a change in the Office Holders since the original appointment date.

(e) Details of progress during the period and summary account of Receipts and Payments under review:

Work undertaken since the commencement of the Liquidation has largely centred around the realisation of the Company's assets. Since our appointment, we have recovered the Company's funds held in the bank accounts with Barclays Bank Plc, transferred the bonds held by Bank of Scotland Plc and recovered the Directors' outstanding loan accounts.

Further steps have also been taken to recover the dividend that was declared by the subsidiary but unpaid at the date of the Liquidation.

Furthermore, we have settled a payment to HM Revenue & Customs in respect of Class 1A NIC for tax year 2020 and have sought confirmation that there are no outstanding matters with regard to VAT and PAYE.

Finally, in the period under review, we have made three interim cash distributions to the Shareholders which are further discussed in section (g) of this report.

A Receipts and Payments Account is attached at Appendix A, which is further explained below.

ANDREW KIRK & COMPANY - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

1. Receipts

1.1 Cash at Bank

The net sum of £253,079.30 was recovered from the funds held in the Company's bank accounts with Barclays Bank Plc including interest and charges.

1.2 Shares & Investments

The Company held Perpetual Subordinated Bonds in Bank of Scotland Plc. As agreed by the Members, this was transferred to a sole Member at market value. The sum of £59,653.42 was paid into the Liquidation estate account in this respect.

1.3 **Directors' Loan Accounts**

At the date of the Liquidation, sums totalling £600,000 were outstanding from certain Directors. We are pleased to advise that these have all been repaid in full.

1.4 Unpaid Calls

The Declaration of Solvency also indicated that the sums due from the Members upon issuing the shares in the Company remained outstanding. Accordingly, these were called up prior to any distribution and have been recovered.

1.5 Dividend from Subsidiary

A dividend totalling £6,227,231 was declared by the Company's subsidiary, Andrew Kirk Management Limited – In Liquidation ("the Subsidiary"), prior to the winding up and remained unpaid. The sum of £6,168,689 has been recovered in the period and the balance of the declared dividend, in addition to the residual funds in the Subsidiary, is dependent on recoveries in those proceedings.

1.6 Bank interest gross

The funds in hand are held in an interest bearing account with a High Street bank in the Office Holders' names as Joint Liquidators of the Company.

Interest earned on the funds in hand amounts to £311.37 in the period under review.

2. Payments

2.1 Liquidation Fee

The Liquidation Fee of £5,000 plus VAT relates to an agreed fee for assistance given to the Directors to place the Company into Members' Voluntary Liquidation, which includes the preparation of the Declaration of Solvency, submission of statutory forms to Companies House and circulation to the Members of the Written Resolutions to wind-up the Company and appoint the Joint Liquidators. This fee was proposed at a Meeting of the Directors of the Company and passed by a Written Resolution of the Members.

2.2 Joint Liquidators' Remuneration

The sum of £10,000 plus VAT has been drawn in respect of the Joint Liquidators' remuneration which is based on time incurred in the administration of the Company's affairs. This was agreed by the Members and further details are outlined in section (f) of the report.

2.3 Statutory advertising

This represents the costs for the publishing of statutory advertising in the London Gazette in respect the notice of the resolutions to wind up the Company, the notice of the appointment of the Joint Liquidators and the notice to Creditors to submit their claims in the Liquidation.

2.4 Specific bond

The specific bond is the cost of insurance, based on the level of realisations by the Liquidator, as required by the Insolvency Practitioners Regulations 2005.

2.5 Swear Fee

The sum of £10 plus VAT has been recharged to the Liquidation estate in respect of the initial swear fee for the Declaration of Solvency.

2.6 Professional Fees

Simmons Gainsford LLP, the Company's accountants, were utilised to prepare and file the Company's P11D form. The sum of £319.64 plus VAT has been paid for their services in this regard.

2.7 Irrecoverable VAT

The Company was not registered for VAT purposes. Therefore, VAT totalling £3,310.42 incurred from expenses in the Liquidation are irrecoverable.

(f) Joint Liquidators' Remuneration and Expenses

1. Basis of remuneration

The Company, by Written Resolutions, approved that the basis of our remuneration as Joint Liquidators be fixed by reference to the time properly spent by our staff and us in attending to matters arising in the winding-up.

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), a schedule of our firm's charge-out rates was issued to the Members at the time the basis of the Joint Liquidators' remuneration was approved. There has not been any material increase in the rates during this appointment. Our current hourly chargeout rates exclusive of VAT, which are charged in units of 6 minutes, are as follows:-

	Current
	£
Senior / Managing Partners	550

ANDREW KIRK & COMPANY - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

Partners/Office holders	495
Managers / Senior Managers	350 - 395
Senior Administrators	220 - 295
Administrators	160 – 200
Cashiers and Assistants	150 - 295
Supports	120 - 150

Chargeout rates are normally reviewed annually in November, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance.

2. Staff allocation and the use of subcontractors

Our 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, Manager, Senior Administrator and two Administrators. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

We have not utilised the services of any subcontractors in this case.

3. Joint Liquidators' Remuneration

Our time costs for the year under review are £13,316.00. This represents 51 hours and 42 minutes at an average rate of £257.56 per hour. We attach as Appendix B a Time Analysis which provides details of the activity during the year, analysed by staff grade.

To view an explanatory note concerning Liquidators' Remuneration issued by the Joint Insolvency Committee, please visit the Publications folder on our website at www.drpartners.com/cases, using the following log-on details:

USERNAME: A469@drco.co.uk

PASSWORD: 964Adm*!

Alternatively, please contact this office to arrange for a copy to be sent to you.

Included in the work undertaken by us and our staff is the following:-

- i) Filing of the statutory documents in respect of placing the Company into Liquidation with Companies House;
- ii) Publishing the necessary statutory advertisements in respect of the Liquidation proceedings;
- iii) Applying for the Joint Liquidators' bond, as required by the Insolvency Practitioners Regulations 2005;
- iv) Corresponding with the Company's bank, Barclays Bank Plc, in respect of the remittance of the funds held in the Company's bank accounts and liaising with the Directors with regard to the same;

ANDREW KIRK & COMPANY - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

- v) Organising the transfer of the Company's bonds to one of the Members and executing all necessary documents;
- vi) Liaising with the Directors with regard to the outstanding Directors' Loan Accounts and arranging repayment of the same;
- vii) Liaising with the Company's accountants, Simmons Gainsford LLP, in respect of the preparation and filing of the Company's final pre-liquidation accounts and corporation tax returns;
- viii) Carrying out regular case reviews to monitor progression;
- ix) Carrying out quarterly bond reviews to ensure the bond remains at the level required; and
- x) Settling the outstanding tax with respect to National Insurance contributions and seeking confirmation of no outstanding matters from HM Revenue & Customs.

4. Joint Liquidators' expenses

Expenses incurred in the Liquidation are explained at (e) above in our comments on the Receipts and Payments Accounts. At the end of the period under review, there were no outstanding expenses.

(g) Distributions to Members

The following cash distributions to the Members have been made since the date of our appointment in line with the Articles of the Company:

Ordinary Shareholders

- First interim cash distribution on 20 December 2019 of £108.67 per £1 ordinary share.

"A" Shareholders

- Second interim cash distribution on 20 December 2019 of £142.65 per £0.01 ordinary "A" share.
- Third interim cash distribution on 13 January 2020 of £200.00 per £0.01 ordinary "A" share.

(h) Details of what remains to be done

Based on present known information, it is anticipated there will be further recoveries in the winding up of the Subsidiary resulting in further funds to the Liquidation.

Upon receipt of the above and confirmation that there will be no further distributions from the Subsidiary, steps will be taken to obtain clearance from HM Revenue & Customs to conclude the winding up.

A fourth and final cash distribution will then be made to the Members alongside issuing the Joint Liquidators' Final Account to bring the matter to a close.

ANDREW KIRK & COMPANY - IN LIQUIDATION
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(i) Other information of relevance:

i) HM Revenue & Customs – Class 1A NIC

The sum of £1,797.19 has been paid to HMRC in settlement of Class 1A NIC for tax year ending 2020.

ii) HM Revenue & Customs – Corporation Tax

The sum of £311.03 was paid from the Company's cash at bank prior to receipt by the Joint Liquidators. The net sum reported above has been adjusted accordingly.

iii) SG Cheapside Insurance

A payment of £346.18 was also made from the Company's cash at bank to SG Cheapside Insurance in the interim period between the date of the appointment and receipt of the Company's funds. This, too, has been included in the adjusted sum recovered from the Cash at Bank as reported above.

(j) Members' rights

- i. 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 Joint Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.
- ii. 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 the Court on the grounds that, in all the circumstances, the basis fixed for the Joint Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidator, as set out in this progress report, are excessive.

(k) Next report

We are required to provide a further report on the progress of the Liquidation within two months of the end of the next anniversary of the Liquidation, unless we have concluded matters prior to that, in which case we will write to all Members with our proposed Final Account.

We trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact in the first instance our Senior Manager, David Marks, or his assistant, Sau-Woon Man at this office.



PAUL COOPER - JOINT LIQUIDATOR

DATE: 22 January 2021

ANDREW KIRK & COMPANY - IN LIQUIDATION
JOINT LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT
FOR THE PERIOD FROM 27 NOVEMBER 2019 TO 26 NOVEMBER 2020

	<u>Per Declaration of Solvency</u> <u>as at 26/11/2019</u>	<u>Total</u> <u>27/11/2019 - 26/11/2020</u>	
	£	£	£
<u>Receipts</u>			
Cash at bank	250,301.00	253,079.30	
Shares & Investments	58,600.00	59,653.42	
Directors' Loan Accounts	600,000.00	600,000.00	
Unpaid Calls	125.00	125.00	
Dividend from subsidiary	6,227,231.00	6,168,689.24	
Gross Bank Interest	-	311.37	
	<u>7,136,257.00</u>		7,081,858.33
<u>Payments</u>			
Liquidation Fee		5,000.00	
Joint Liquidators' Remuneration		10,000.00	
Statutory Advertising		262.44	
Specific Bond		960.00	
Swear Fee		10.00	
Professional Fees		319.64	
Irrecoverable VAT		<u>3,310.42</u>	(19,862.50)
<u>Creditors</u>			
HM Revenue & Customs - Class 1A NIC		1,797.19	
HM Revenue & Customs - Corporation Tax		311.03	
SG Cheapside Insurance		<u>346.18</u>	(2,454.40)
<u>Receipts less Payments</u>			<u>7,059,541.43</u>
Less: DISTRIBUTIONS			
Ordinary Shareholders ~ 25,000 ordinary shares of £1			
1st interim cash distribution			
declared			
and paid on 20 December 2019	£108.67	per £1 ordinary share	(2,716,840.00)
" A " Shareholders - 12,500 A shares of £0.01 each			
declared			
and paid on 20 December 2019	£142.65	per £0.01 ordinary share	(1,783,160.00)
" A " Shareholders - 12,500 A shares of £0.01 each			
declared			
and paid on 13 January 2020	£200.00	per £0.01 ordinary share	(2,500,000.00)
<u>Balance in Hand</u>			<u><u>59,541.43</u></u>

ANDREW KIRK & COMPANY - IN MEMBERS VOLUNTARY LIQUIDATION

JOINT LIQUIDATOR'S TIME COSTS							
FOR THE PERIOD 27 NOVEMBER 2019 TO 26 NOVEMBER 2020							
SIP 9 TIME SUMMARY							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning							
IPS set up & maintenance	00:00	00:00	00:30	00:00	00:30	100.00	200.00
Statutory filings,circulars, notices, etc.	00:00	00:00	09:12	00:00	09:12	1,488.00	161.74
Case planning, strategy & control	00:00	00:00	02:18	00:00	02:18	678.50	295.00
Taxation: PAYE, C/Tax & VAT	00:00	00:00	05:06	00:00	05:06	1,504.50	295.00
Accounting & Cashiering	00:00	00:00	00:00	07:48	07:48	1,570.50	201.35
Case reviews & Diary maintenance	00:00	00:00	01:30	00:00	01:30	442.50	295.00
Shareholders' enquiries & distributions	00:00	00:12	14:24	00:00	14:36	4,212.00	288.49
Realisation of assets							
Tangible assets	00:00	02:18	07:30	00:00	09:48	3,054.50	311.68
Creditors							
Unsec'd Creditors: correspondence & claims	00:00	00:00	00:54	00:00	00:54	265.50	295.00
Total hours and costs	00:00	02:30	41:24	07:48	51:42	13,316.00	257.56