

LIQ03

Notice of progress report in voluntary winding up



Companies House

FRIDAY



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29/05/2020

#264

COMPANIES HOUSE

1 Company details

Company number 03031629

Company name in full Gartmore Irish Growth Fund plc

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Patrick Joseph

Surname Brazzill

3 Liquidator's address

Building name/number 1

Street More London Place

Post town

County/Region London

Postcode SE1 2AF

Country United Kingdom

4 Liquidator's name ①

Full forename(s) Samantha Jane

Surname Keen

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 1

Street More London Place

Post town

County/Region London

Postcode SE1 2AF

Country United Kingdom

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 3	^d 0	^m 0	^m 3	^y 2	^y 0	^y 1	^y 9	
To date	^d 2	^d 9	^m 0	^m 3	^y 2	^y 0	^y 2	^y 0	

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
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8 Sign and date

Liquidator's signature	Signature X <i>P. Brazzill</i> X								
Signature date	^d 2	^d 9	^m 0	^m 5	^y 2	^y 0	^y 2	^y 0	

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**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 **Jack Park**

Company name **Ernst & Young LLP**

Address **1 More London Place**

Post town

County/Region **London**

Postcode **S E 1 2 A F**

Country **United Kingdom**

DX

Telephone **020 778 30293**

**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



Building a better
working world

Ernst & Young LLP Tel: 020 7951 2000
1 More London Place Fax: 020 7951 1245
London SE1 2AF ey.com

TO ALL MEMBERS

29 May 2020

Ref: ML5W/PJB/SJK/CR/JP/LO5249
Direct line: 020 778 30293
Jack Park

Email: crobertson3@uk.ey.com

Dear Sir or Madam

**Gartmore Irish Growth Fund plc (In Members' Voluntary Liquidation)
(the "Company")**

I write further to my appointment as Joint Liquidator of the Company on 30 March 2011. I now write to provide you with our ninth report on the progress of the liquidation for the period from 30 March 2019 to 29 March 2020 which should be read in conjunction with my reports dated 30 May 2012, 28 May 2013, 14 May 2014, 8 May 2015, 27 May 2016, 24 May 2017, 24 May 2018 and 24 May 2019.

In accordance with the provisions of the Insolvency Rules 2016 we are required to provide certain information about the Company and the liquidators. The information can be found in Appendix A of this report. A copy of our receipts and payments account for the period from 30 March 2019 to 29 March 2020 is at Appendix B.

Background to the winding up

As you are aware, the Company's directors made a proposal to shareholders for the proposed reconstruction and winding up of the Company. The Company was placed into members' voluntary liquidation by a general meeting of shareholders held on 30 March 2011.

Full details of the proposals were set out in the Circular dated 25 February 2011. In brief, the proposals provided for the Liquidators to realise and distribute the Company's assets in accordance with the scheme (by way of a transfer agreement), namely:

- To facilitate and pay the distribution of cash to Shareholders who have elected or deemed to have elected for the Cash option.
- To facilitate the transfer of assets comprising of cash and near cash assets to the Threadneedle Fund Pool (Rollover fund) for those shareholders who had elected to roll over all or some of their investment into shares in this fund.
- Receive a Liquidation retention fund to meet the Company's liabilities generally and Liquidators' costs and expenses incurred in respect of the Proposals and winding up.

Approximately 93% of shareholders elected for the cash option and the remaining 7% elected for the rollover option.

Progress during the period of the report

Receipts

During the period covered by the report, there have been no receipts.

Payments

Professional Fees of £4,150.09 plus irrecoverable VAT £830.02 were paid to the Registrars, Computershare, in relation to monthly maintenance costs.

Bank charges of £1.80 were incurred in the period.

Corporation Tax position

As detailed in my previous reports, HM Revenue & Customs ("HMRC") have advised that two of the pre liquidation accounting periods are open and under enquiry. The periods under enquiry are for the years ended 31 March 2009 and 31 March 2010. This is because there has been a payment of corporation tax in relation to one of these periods by the Company, where much of the Corporation Tax ("CT") paid related to the taxation of non-UK dividends received by the Company. The Company paid approximately £416,000 to HMRC on submission of the 2009 return to cover any CT, should the taxation on dividends be payable.

Prior to the commencement of the Company's liquidation, another company raised a challenge to the current treatment by HMRC of such dividends in the CT returns of UK resident companies (such as the Company), on which basis the Company had paid the CT. The Company advised HMRC that it would also raise a protective appeal against assessment. If the case was decided in favour of the taxpayers, then the tax paid by the Company on non-UK dividends should be recoverable.

This long running case has now reached a final conclusion which was in favour of the taxpayers.

With regards to the Company, the investment portfolio of the Company during 2009 and 2010 related, predominately, to non-UK investments held in Ireland. During these periods, underlying tax was originally suffered at source by the distributing company which, in relation to income received from the Company's Irish investments, meant a tax deduction of Irish corporation tax of 12.5%. This underlying tax deduction can then be offset by the Company's against its UK corporation tax liability. However, during 2009 and 2010, the Company paid tax on its non-UK dividend income from these investments without adjusting for this tax relief. Following the outcome of this case, the Company can now claim this relief on the UK corporation tax paid by the Company on these non-UK dividends. As a guide only, it has been estimated that the potential tax relief that could be recovered by the Company could be in the region of £260,000.

The Joint Liquidators will shortly make a submission to HMRC to reclaim this amount. Should this submission be successful, this could result in a refund to the Company of approximately £260,000.

Joint Liquidators' remuneration and disbursements

Our remuneration was fixed on a time costs basis by a resolution of the members on 30 March 2011.

During the period covered by this report, we have incurred time costs of £19,135. At Appendix D to this report there is an analysis of the time spent and a statement of our policy in relation to charging time.

As you are aware, the liquidation has been kept open due to pending corporation tax clearance from HM Revenue & Customs. Further details are provided in the Corporation Tax section below. This has meant additional time costs for general case administration, dealing with shareholder queries and statutory compliance have been incurred.

As the Company only holds cash of approximately £10,000 to meet the final costs of the liquidation, the Joint Liquidators have not drawn any fees in relation to their time costs incurred since 28 April 2017. As detailed in our previous report and as noted above, the Joint Liquidators and their staff incurred time costs of £57,765 for the period 30 March 2018 to 29 March 2019 and £19,135 for the period covered by this report. Should the tax repayment be recovered, as described above, it is the intention of the Joint Liquidators to draw a final fee in the liquidation from this tax recovery in relation to certain of these time costs together with time costs to conclude the liquidation.

Members' rights to further information about, and challenge, remuneration and expenses

In certain circumstances, members are entitled to request further information about our remuneration or expenses, or to apply to court if members consider the costs to be excessive. Further information is provided in Appendix C.

Distribution to Shareholders

At present, the Company has insufficient funds to make a further distribution to shareholders as the funds held will only meet the final costs of the liquidation. Shareholders will note in the receipts and payments account in Appendix B that the Company holds under £10,000 of cash.

However, should the Company be successful in the receipt of the tax refund noted above, this could allow for a further distribution to the shareholders. Therefore, it is my intention to keep the liquidation open until the refund of corporation tax paid by the Company is received. We will provide an update to shareholders in 12 months or at the conclusion of the liquidation, whichever is sooner.

Due to the cost of distribution to shareholders, should the tax repayment be received, I would intend to make a final payment to shareholders at the conclusion of the liquidation. The estimated quantum and timescale for this distribution is currently unknown as this is dependent on the receipt of this tax repayment detailed above.

Outstanding Matters and conclusion of the liquidation

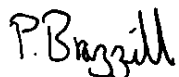
Based on the above, unless I receive requests from a significant proportion of shareholders stating that they would like the liquidation to be closed now, I will keep the liquidation open until the tax repayment has been received, or I receive confirmation that no tax repayment will be made.

Once this tax position has been resolved, I shall seek to obtain the relevant tax clearances and a final cash distribution will be paid to shareholders shortly thereafter prior to concluding the liquidation.

Please note that a final distribution to shareholders is entirely contingent upon the receipt of the tax repayment detailed in this report. Should the tax repayment not be received, there will no further funds available for distribution to shareholders.

If you have any queries in relation to the content of this report, please contact Jack Park on the above direct line.

Yours faithfully
for the Company



P J Brazzill
Joint Liquidator

Patrick Joseph Brazzill and Samantha Jane Keen are licensed in the United Kingdom to act as insolvency practitioners by The Insolvency Practitioners Association.

The Joint Liquidators may act as data controllers of personal data as defined by the General Data Protection Regulation 2016/679, depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidator's appointment. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy

Gartmore Irish Growth Fund plc (In Members' Voluntary Liquidation)

Information about the company and the liquidators

Registered office address of the company:	1 More London Place, London, SE1 2AF
Registered number:	03031629
Full names of the liquidators:	Patrick Joseph Brazzill and Samantha Jane Keen
Liquidators' address(es):	Ernst & Young LLP 1 More London Place London SE1 2AF
Date of appointment of the joint liquidators:	30 March 2011
Details of any changes of liquidator:	None

Gartmore Irish Growth Fund plc (In Members' Voluntary Liquidation)

Joint liquidators' receipts and payments account for the period from 30 March 2011 to 29 March 2020

Declaration of Solvency Estimated to Realise Values		30/03/11 - 29/03/19	30/03/19 - 29/03/20	Cumulative Total
£		£	£	£
Receipts				
37,191,327	Cash at bank	44,146,107	-	44,146,107
124,121	Dividends receivable	97,196	-	97,196
110,179	Refunds	61,862	-	61,862
12,311,010	Marketable securities	1,232,561	-	1,232,561
-	VAT Refund	50,639	-	50,639
-	Bank Interest	2,061	-	2,061
49,736,637		45,590,426	-	45,590,426
Payments				
-	Registrar Costs	(5,000)	(4,150)	(9,150)
(391,665)	Accrued Expenses	(300,256)	-	(300,256)
(63,847)	Trade Accounts	-	-	-
-	Professional Fees	(30,940)	-	(30,940)
-	Corporation Tax	(25,130)	-	(25,130)
(66,000)	Liquidators' Fees	(237,584)	-	(237,584)
-	Liquidators' Disbursements	(1,332)	-	(1,332)
-	Irrecoverable VAT	(102,916)	(830)	(103,746)
-	Bank Charges	(49)	(2)	(51)
(946,779)	Dividends payable	-	-	-
(1,468,291)		(703,207)	(4,982)	(708,189)
Distributions				
-	Ordinary Shareholders	(44,872,309)	-	(44,872,309)
0		(44,872,309)	0	(44,872,309)
48,268,346	Balance at bank at 29 March 2020	14,910	(4,982)	9,928

Notes

1. Receipts and payments are stated net of VAT.
2. The Declaration of Solvency figures are as at 15 March 2011. There were a number of transactions prior to 30 March 2011 which changed many of the Declaration of Solvency figures. This includes the dividend which was paid pre-liquidation.
3. VAT on expenses paid is irrecoverable.

Members' rights to request further information about remuneration or expenses or to challenge a liquidator's remuneration – Rules 18.9 and 18.34 of the Insolvency Rules 2016 (as amended)

18.9 Creditors' and members' request for further information

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report or account under rule 18.14—

- (a) a secured creditor;
- (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
- (d) any unsecured creditor with the permission of the court; or
- (e) any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report or account by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—

- (a) providing all of the information requested;
- (b) providing some of the information requested; or
- (c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

- (a) the time or cost of preparation of the information would be excessive; or
- (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
- (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
- (d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

- (a) the office-holder giving reasons for not providing all of the information requested; or
- (b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

18.34 Members' claim that remuneration is excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
- (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
- (c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—

- (a) a secured creditor,
- (b) an unsecured creditor with either—
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
- (c) in a members' voluntary winding up—
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

Rules 18.9 and 18.34 are reproduced from the Insolvency (England and Wales) Rules 2016, as amended by the Insolvency (England and Wales) (Amendment) Rules 2017, under the terms of Crown Copyright Guidance issued by HMSO

Gartmore Irish Growth Fund plc (In Members' Voluntary Liquidation)

Joint liquidators' time costs for the period from 30 March 2019 to 29 March 2020

Liquidators' charging policy for remuneration

The members have determined that the liquidators' remuneration should be fixed on the basis of time properly spent by the liquidators and their staff in attending to matters arising in the liquidation.

The liquidators have engaged a manager and other staff to work on the cases. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the liquidators.

All time spent by staff working directly on case-related matters is charged to a time code established for the work carried out on this liquidation. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown below, as are the current hourly rates used. The current hourly rates may be higher than the average rates, if hourly rates have increased over the period covered by this report.

SIP9 Analysis for the period 30 March 2019 to 29 March 2020

Classification of work function	Partner / Director	Manager	Other Senior Professionals	Assistants & Support	Total hours this reporting period	Average Hourly Rate	Time Costs for period 30/03/2019 to 29/03/2020
Accounting and Administration		2.4	6.6	15.3	24.3	325.4	7,906.9
Bank & Statutory Reporting	0.5	1.9			2.4	686.3	1,647.0
Job Acceptance & Strategy (M)		0.7			0.7	697.86	488.50
Members		3.1			3.1	597.1	1,851.0
Other Matters		0.5			0.5	815.0	407.5
Out of scope		1.7			1.7	610.00	1,037.00
Statutory Duties			3.5		3.5	230.5	806.7
VAT & Taxation	0.4	4.6			5.0	998.2	4,991.0
Grand Total	0.9	14.9	10.1	15.3	41.2	464.46	19,135.58

Average Hourly rate	1,114.44	722.21	342.39	255.78	464.46
Time costs for reporting period	1,003.00	10,761.00	3,458.15	3,913.43	19,135.58

Charge-out rates

Grade	Charge out rate per hour (£) (from 1 July 2019 to 30 June 2020)	Charge out rate per hour (£) (from 1 July 2018 to 30 June 2019)
Partner	1195	1140
Executive Director	1145	1090
Director	975	930
Assistant Director	815	775
Senior Executive	620	590
Executive	455	435
Assistant Executive	415	395
Analyst	325/295	280/225
Cashier	330	315

Description of work completed in the period

- Liaising with shareholders to provide updates on status of liquidation by way of calls or emails
- Liaising with tax team regarding tax computations and status of litigation
- Updating compliance and monitoring systems
- Annual statutory requirements
- Case review for required compliance and case progression
- Billing arrangements in accordance with the engagement agreements
- Case filing and internal monitoring
- Treasury functions, such as bank reconciliations and payment of invoices.
- Due care and attention throughout