

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

04936697

Name of Company

A Gowing Limited

I / We


Paul Atkinson, Jupiter House, Warley Hill Business Park, The Drive, Brentwood, Essex

Jeremy Stuart French, Jupiter House, Warley Hill Business Park, The Drive, Brentwood, Essex

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 21/08/2015 to 20/08/2016

Signed



Date

11/10/2016

FRP Advisory LLP
Jupiter House
Warley Hill Business Park
The Drive
Brentwood
Essex
CM13 3BE
Ref A1501BCO/PXA/JSF/LMB/EJP

COMPANIES HOUSE

THURSDAY



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20/10/2016

#447

**A Gowing Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 21/08/2015 To 20/08/2016
ASSET REALISATIONS		
20,855 00	Book Debts	NIL
197,338 00	Cash at Bank	161,779 59
30,141 00	Investments	32,908 54
179,651 00	Director's Loan Account	229,681 86
	Bank Interest Gross	25 10
		<u>424,395 09</u>
COST OF REALISATIONS		
	Joint Liquidators' Remuneration	4,000 00
	Joint Liquidators' Disbursements	500 00
	VAT	900 00
	Bank Charges - Floating	15 00
		<u>(5,415 00)</u>
UNSECURED CREDITORS		
(49,111 00)	Amounts owed to participating interest	62,769 01
(1,099 00)	Other liabilities	NIL
(8,585 00)	Corporation tax	9,549 85
		<u>(72,318 86)</u>
DISTRIBUTIONS		
	Ordinary Shareholders	337,590 40
		<u>(337,590 40)</u>
<u>369,190.00</u>		<u><u>9,070.83</u></u>
REPRESENTED BY		
	Bank 1 Current A/c	9,070 83
		<u><u>9,070.83</u></u>

Note



Paul Atkinson
Joint Liquidator



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Your ref:

Our ref: PA/JSF/LMB/EJP/A1501/H/EJP

Please Contact: Emma Priest

Telephone Number: 01277 503 343

Email Address: Emma.Priest@FRPadvisory.com

Date: 17 October 2016

Dear Sirs

A GOWING LIMITED (IN LIQUIDATION) ("THE COMPANY")

Further to my appointment as Joint Liquidator on 21 August 2015 I report on the progress of the liquidation for the period 21 August 2015 to 20 August 2016 ("the period") in accordance with the Insolvency Rules.

I attach:

- Appendix A – Receipts and payments account for the period
- Appendix B – Details of my firm's time costs and disbursements since appointment
- Appendix C – Statement of expenses incurred in the period

1. Progress of the Liquidation

Attached at Appendix A is a receipts and payments account detailing transactions for the period of this report. The figures from the Declaration of Solvency ("DOS") are as at 31 December 2014 and the receipts and payments are from the balance sheet as at the date of Liquidation and therefore, there is a significant difference in values as a result of the time lapsed. I would therefore comment as follows-

Receipts

Book Debts

The director's DOS detailed book debts of £20,855, in respect of S455 tax due back to the Company and is in the process of being reclaimed from HMRC.

Cash at Bank

The sum of £161,780 was received in respect of the balance held on the Company's bank account, which is less than anticipated in the directors' DOS due to creditor payments being made prior to liquidation.

Investments

The Company's investments included shares held in Kiremko Holding BV, Kiremko Group BV and A Gowing 2012 Limited. These investments were distributed in specie to the Company's shareholder, Andrew Gowing ("AG") on 4 December 2015 and further details are provided in paragraph 5.

Director's Loan Account

The director's loan account of £229,682 was distributed in specie to AG on 28 September 2015 (see paragraph 5 for further information)

Other Receipts

Bank interest, received gross of tax, amounted to £25 in the period, resulting in total receipts of £424,395

Payments

Joint Liquidators' Remuneration and Disbursements

It was agreed with the Company's shareholder that the Joint Liquidators be remunerated on a time cost basis, but limited to £4,000, plus disbursements and VAT. The sum of £4,000 plus disbursements of £500, plus VAT, has been settled in the period. As the Company is not VAT registered, the VAT is irrecoverable.

Bank Charges

Bank charges totalling £15 have been paid in the period

Amounts owed to participating interests

The sum of £62,769 has been paid to Kiremko (UK) Limited, an associated company, in respect of the outstanding balance owed to them as at the date of Liquidation

Corporation Tax

£9,550 has been paid to HMRC in respect corporation tax arising from the pre appointment period.

Ordinary Shareholders

Distributions totalling £337,590 have been made to the Company's shareholder (see point 5 below).

Total Payments

Total payments in the period therefore amount to £415,324, leaving a balance of £9,071 in the current account.

3. Work Undertaken by the Liquidator During the Period

Work carried out during the period has comprised of the following:-

Administration and Planning/Statutory and Compliance

- Preparing and submitting various statutory notices and letters, including advertising the appointment of liquidation in the London Gazette;
- Undertaking periodic case progression reviews;
- Managing the cash book and completing receipts and payments vouchers,
- Regular preparation and review of bank reconciliations and reconciliation of nominal ledger,
- Notifying the taxation authorities of the Joint Liquidators' appointment and requesting relevant tax clearances;
- Compliance with all post liquidation statutory requirements and internal procedures.

Realisation of Assets

- Allocating & posting receipts,
- Realising the Company's cash at bank;
- Distributing in specie the investments and director's loan account.

Creditors/Shareholders

- Liaising with accountants and shareholders regarding finalisation of liquidation affairs,
- Making distributions in specie to the Company's shareholder in respect of the investments in associated companies and the director's loan account;
- Making a cash distribution to the Company's shareholder,
- Ascertaining the amounts owed to HMRC for CT and associated companies and settling them accordingly
- Liaising with HMRC and the Company's accountant in respect of a potential Employee Benefit Trust ("EBT") liability

4. Dividends to Creditors

Preferential Creditors

There are no preferential creditors in this matter.

Unsecured creditors

Formal notice of my appointment and notice for all creditors to submit claims was advertised in the London Gazette

There have been no distributions to secured or preferential creditors, however, details of payments made to the unsecured creditors are detailed previously in this report.

5. Distribution to Shareholders

As previously mentioned, the overdrawn director's loan account of £229,682 was distributed in specie to AG on 28 September 2015, on his £1 share held in the Company.

The Company's investments, totalling £32,909 were also distributed in specie to AG on 4 December 2015, a breakdown is as follows –

Investment in Kiremko Holding BV – 3,600 €100 shares which have a net book value of £29,940.01 as at 12 September 2015

Investment in Kiremko Group BV – 3,600 €1 shares, which have a net book value of £2,767 53 as at 12 September 2015

Investment in A Gowing 2012 Limited – 200 Ordinary A £1 shares and 1 Ordinary B £1 share

Finally, a cash distribution of £75,000 per Ordinary £1 share was made to AG on 9 December 2015.

Any further distributions will be dependent on the outcome of the negotiations with HMRC in relation to the EBT liability.

6. Outstanding Matters

The outstanding matters in this liquidation are as follows-

- S455 tax to be recovered.
- Resolution of a contingent liability in respect of the claim issued by HMRC in respect of an EBT (full shareholder's indemnity is held)
- Post appointment corporation tax return to be submitted and clearance received.

In accordance with our engagement letter dated 18 August 2015, in the event that the liquidation remains open over the 12-month anniversary, further fees of £1,500 to £2,000 plus VAT would be incurred per annum. You will note from the attached SIP9 table that our time costs at the date of the end of this reporting period are £6,955, however, as at the date of this report, our time costs have increased to £8,789. Further fees of £2,000 plus VAT will therefore be drawn from the funds in hand.

7. Liquidators' Remuneration, Disbursements and Expenses

The Joint Liquidators' time costs are 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 members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of 6 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 LLP charge out rates are attached together with a breakdown of our time costs and disbursement incurred during the period of this report, in accordance with Statement of Insolvency Practice 9.

The members resolved that the Joint Liquidators' fees be charged on a time basis in the region of £4,000 plus disbursements and VAT. The amount of fees drawn in this period is £4,000, together with disbursements of £500, exclusive of VAT. As mentioned above, as the liquidation has overrun the 12-month anniversary, a further fee of £2,000 plus VAT has been incurred. This fee has not been drawn.

The Liquidators' disbursements are a recharge of actual costs incurred by the Liquidator 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 of this report are set out in Appendix B.

I also attach at Appendix C a statement of expenses that have been incurred during the period covered by this report.

Shareholders have a right to request further information from the Liquidator and further have a right to challenge the Liquidator's 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 reporting period as set out in Appendix C 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.frpadvisor.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.

If you have any queries about this report or the progress of this matter, please do not hesitate to contact my office.

Yours faithfully



P Atkinson FABRP MIPA
Joint Liquidator

Licensed in the United Kingdom by the Insolvency Practitioners Association and bound by the Insolvency Code of Ethics

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**A Gowing Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments**

Declaration of Solvency £		From 21/08/2015 To 20/08/2016 £	From 21/08/2015 To 20/08/2016 £
	ASSET REALISATIONS		
20,855 00	Book Debts	NIL	NIL
197,338.00	Cash at Bank	161,779.59	161,779.59
30,141.00	Investments	32,908.54	32,908 54
179,651 00	Director's Loan Account	229,681.86	229,681.86
	Bank Interest Gross	25.10	25.10
		<u>424,395 09</u>	<u>424,395.09</u>
	COST OF REALISATIONS		
	Joint Liquidators' Remuneration	4,000 00	4,000.00
	Joint Liquidators' Disbursements	500.00	500 00
	VAT	900 00	900.00
	Bank Charges - Floating	15.00	15 00
		<u>(5,415 00)</u>	<u>(5,415.00)</u>
	UNSECURED CREDITORS		
(49,111.00)	Amounts owed to participating interes	62,769.01	62,769.01
(1,099 00)	Other liabilities	NIL	NIL
(8,585.00)	Corporation tax	9,549.85	9,549.85
		<u>(72,318.86)</u>	<u>(72,318 86)</u>
	DISTRIBUTIONS		
	Ordinary Shareholders	337,590.40	337,590 40
		<u>(337,590 40)</u>	<u>(337,590.40)</u>
369,190.00		<u>9,070.83</u>	<u>9,070.83</u>
	REPRESENTED BY		
	Bank 1 Current A/c		9,070.83
			<u>9,070.83</u>

Note:



A Gowing Limited (In Liquidation)

Time charged for the period up to 20 August 2016

Grade	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost £	Average Hly Rate £
Administration and Planning	0 30	3 90	2 10	6 30	1,003 50	159 29
Case Accounting		0 70		0 70	133 00	190 00
Case Control and Review	0 30	1 20		1 50	334 50	223 00
Case Accounting - General		0 70	1 40	2 10	242 00	115 24
General Administration		0 60	0 70	1 30	154 00	118 46
Strategy		0 70		0 70	140 00	200 00
Asset Realisation	0 10	0 20		0 30	71 50	238 33
Asset Realisation	0 10	0 20		0 30	71 50	238 33
Creditors	8 30	6 20	0 10	14 60	3,899 50	267 09
Unsecured Creditors	0 20	0 30		0 50	123 00	246 00
Secured Creditors	0 10			0 10	31 50	315 00
Pensions			0 10	0 10	7 00	70 00
TAX/VAT - Pre-appointment	4 70	0 90		5 60	1,696 50	302 95
Shareholders	3 30	5 00		8 30	2,041 50	245 96
Investigation		0 30		0 30	60 00	200 00
CDDA Enquiries		0 30		0 30	60 00	200 00
Statutory Compliance	0 30	5 20	1 80	7 30	1,226 50	168 01
Post Appt TAX/VAT		0 10	0 20	0 30	34 00	113 33
Statutory Compliance - General		1 00	1 40	2 40	273 00	113 75
Statutory Reporting/ Meetings	0 20	4 10		4 30	874 00	203 26
Bonding/ Statutory Advertising	0 10		0 20	0 30	45 50	151 67
Pre-Appointment	0 20	3 20		3 40	694 00	204 12
Pre Appointment	0 20	3 20		3 40	694 00	204 12
Total Hours	9 20	19 00	4 00	32 20	6,955 00	215 99
Total Cost £	2,918 00	3,729 00	308 00			
Average Hly Rate £	317 17	196 26	77 00			

Disbursements for the period up to 20 August 2016

Category 1	Value £
Advertising	253 80
Bonding	175 00
Grand Total	428 80

Mileage is charged at the HMRC rate
prevailing at the time the cost was incurred

FRP Charge out rates	From	1st July 2013	1st May 2016
Grade			
Appointment taker / Partner		370-400	370-450
Managers / Directors		270-370	280-370
Other Professional		160-225	165-230
Junior Professional & Support		70-105	80-110

A GOWING LIMITED - IN LIQUIDATION
STATEMENT OF EXPENSES FOR THE 12 MONTH PERIOD
ENDED 20 AUGUST 2016

Expenses	Total Expenses for the 12 months ended 20/08/2016 £
Joint Liquidators' Remuneration	6,955
Joint Liquidators' Disbursements	500
VAT	900
Bank Charges	15
Accountancy Fees	1,500
Total	9,870