

LIQ03

Notice of progress report in voluntary winding up



Companies House

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www.gov.uk/companieshouse

1 Company details

Company number 0 8 1 1 5 1 2 1

Company name in full Salford Academy Trust

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Peter

Surname Kubik

3 Liquidator's address

Building name/number Quadrant House

Street 4 Thomas More Square

Post town London

County/Region

Postcode E 1 W 1 Y W

Country

4 Liquidator's name ①

Full forename(s) Brian

Surname Johnson

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Quadrant House

Street 4 Thomas More Square

Post town London

County/Region

Postcode E 1 W 1 Y W



Country

② Other liquidator

Use this section to tell us about
another liquidator.

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

**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 Peter Kubik

Company name UHY Hacker Young LLP

Address Quadrant House

4 Thomas More Square

Post town London

County/Region

Postcode E 1 W 1 Y W

Country

DX

Telephone 020 7216 4600

**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

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**Salford Academy Trust
in Members' Voluntary Liquidation**

Annual Progress Report

Peter Kubik and Brian Johnson
UHY Hacker Young LLP
Quadrant House, 4 Thomas More Square
London E1W 1YW

Salford Academy Trust
In Members' Voluntary Liquidation

Annual progress report

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1. EXECUTIVE SUMMARY

- 1.1 Brian Johnson and I, Peter Kubik, were appointed joint liquidators of Salford Academy Trust ("the Trust") on 10 September 2021.
- 1.2 This report summarises the progress of the liquidation for the period from 10 September 2021 to 9 September 2022 ("the Review Period") and should be read in conjunction with previous correspondence.
- 1.3 A summary of key information in this report is detailed below and attached at Appendix 1 is a summary of statutory information regarding the Trust and the Liquidation.

Realisations

Asset	Estimated to realise per Declaration of Solvency £	Realisations to date £	Estimated future realisations £	Estimated total realisations £
Cash at bank	220,047	238,527.86	-	238,527.86
Lloyds compensation	-	2,036.00	-	2,036.00
Bank interest	-	44.83	Uncertain	44.83
Total	220,447	240,608.69	Uncertain	240,608.69

Expenses

Expense	Expense incurred to date £	Estimated further expense to closure £	Estimated total expense £
Pre-appointment advisory fee	5,757.50	-	5,757.50
Declaration of Solvency fee	9,000.00	-	9,000.00
Office holders' fees	-	7,500.00	7,500.00
Accountancy fees	975.00	-	975.00
Professional fees	2,170.00	-	2,170.00
Specific bond	130.00	-	130.00
Statutory advertising	270.00	-	270.00
Insolvency software fee	110.00	-	110.00
Total	18,412.50	7,500.00	25,912.50

Distributions

Class	Distribution paid to date	Estimated total distribution, based upon the above
Secured creditors	Not applicable	Not applicable
Preferential creditors	Not applicable	Not applicable
Secondary preferential creditors	Not applicable	Not applicable
Unsecured creditors	£22,276.00 paid, representing 100 pence in the pound	100 pence in the pound
Ordinary shareholders	-	Not applicable

2. ADMINISTRATION AND PLANNING (INCLUDING STATUTORY REPORTING)

- 2.1 As joint liquidators, we are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit, they assist in the efficient and compliant progressing of the liquidation, which ensures that our staff and we, as joint liquidators, carry out work to high professional standards. The narrative detail in respect of these tasks may be found in Appendix 4.

3. ASSET REALISATIONS

- 3.1 The receipts and payment account for the Review Period is attached at Appendix 2.
- 3.2 Detailed below is key information about asset realisations, however a more detailed narrative about the work undertaken may be found at Appendix 4.

Cash at bank

- 3.3 Per the Declaration of Solvency, the cash held in the Trust's bank account totalled £220,047. The sum of £238,527.86 was transferred to UHY Hacker Young's client account shortly after our appointment as liquidators and subsequently transferred to the liquidation account thereafter.

Lloyds bank compensation

- 3.4 The sum of £2,036 was awarded to the Trust by Lloyds Bank, by way of compensation in respect of the lengthy delays encountered in setting up the required signatories and bank authorisations in the lead up to our appointment. This was received into the liquidation account and, as not originally anticipated, was not reflected on the Declaration of Solvency.

Bank interest

- 3.5 Bank interest of £44.83 has been earned in the Review Period.

4. CREDITORS

Secured creditor

- 4.1 There are no secured creditors in this matter.

Preferential creditors

- 4.2 There are no preferential creditors in this matter.

Unsecured creditors

- 4.3 A notice to creditors requiring them to submit claims was published in the London Gazette.
- 4.4 Per the Declaration of Solvency, the unsecured creditor was estimated to total £22,453.
- 4.5 The following payment was made to the sole creditor:

Date of payment	Class of creditor / payment	Total amount paid
27 September 2021	Non-preferential unsecured creditors – 100p in the £	£22,776.00

- 4.6 Please note that the unsecured creditor waived their right to statutory interest.

5. DISTRIBUTIONS TO SHAREHOLDERS

- 5.1 There have been no distributions to shareholders.

6. ETHICS

- 6.1 Please be advised that we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

General ethical considerations

- 6.2 Prior to our appointment, a review of ethical issues was undertaken and no ethical threats were identified. A further review has been carried out and no threats have been identified in respect of the management of the insolvency appointment over the Review Period.

Specialist advice and services

- 6.3 When instructing third parties to provide specialist advice and services or having the specialist services provided by the firm, we are obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work undertaken. The firm reviews annually the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists utilised in this matter are detailed below.

7. COSTS AND EXPENSES

- 7.1 The payments shown on the receipts and payments account at Appendix 2 are in the main self-explanatory.

Pre-appointment advisory fee

- 7.2 UHY Hacker Young were instructed by the Trust to review its financial position and advise regarding the proposed response to the Education and Skills Funding Agency. This fee was approved on a time cost basis by resolution of the shareholders on 10 September 2021 and the time costs for undertaking the pre-appointment work were £5,757.00 (plus VAT). A schedule detailing the pre-appointment time costs is attached at Appendix 3. This was paid in full upon first realisations and is shown on the enclosed receipts and payments account.

Declaration of Solvency fee

- 7.3 The members authorised the fee of £9,000 plus VAT for assisting the directors in placing the Trust into liquidation and with preparing the Declaration of Solvency on 10 September 2021. This has been paid in full following receipt of the cash at bank and is reflected in the receipts and payments account.

Joint liquidators' remuneration

- 7.4 No resolution has been sought in respect of our post appointment remuneration and therefore no remuneration has been drawn in this matter. However, due to additional time costs incurred in the administration of the liquidation, which were not originally envisaged at the time of providing a quote, it is anticipated that fee approval will be sought from the members in due course.
- 7.5 A copy of 'A Members' Guide to Liquidators' Fees' may be found at Appendix 4. A copy of UHY Hacker Young LLP's standard charge out rates may be found at <https://www.uhy->

uk.com/sites/default/files/2022-09/London%20office%20turnaround%20and%20recovery%20charge%20out%20rates%20-%20Sep%202022.pdf. A hard copy is available upon request.

Other professional costs

Accountancy fees

- 7.6 The Trust's former accountant, T Archer Associates, was instructed to bring the Trust's financial accounts up to date to enable pre-liquidation tax returns to be submitted. Their fee was agreed at £975.00 and this has been discharged in full.
- 7.7 Mazars LLP were instructed to assist in the completion of the Trust's corporation tax returns to the date of liquidation. Their fee of £1,500 was agreed and has been paid in full.

Pension specialists


- 7.8 As the Trust was part of two multi-employer defined benefit pension schemes, we instructed SP Insolvency to assist in filing the relevant pension notices and, due to the nature of the schemes, investigate whether any debts arose under section 75 of the Pensions Act 1995 which would either need to be refunded or paid. Their fee of £2,170.00 for undertaking the work mentioned above was agreed at £2,170 and this has been discharged in full.
- 7.9 Whilst this work could have been undertaken by my staff, it was considered that the price offered by SP Insolvency was more cost effective.

8. FURTHER INFORMATION

- 8.1 Members of the Trust with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the Trust, or any member with the permission of the court, may request further details of our remuneration and expenses, within 21 days of receipt of this report.
- 8.2 Members of the Trust with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the Trust, or any member with the permission of the court, may apply to court to challenge the amount and/or basis of our fees and the amount of any proposed expenses or expenses already incurred on the grounds that they are excessive or inappropriate, within 8 weeks of receipt of this report.

9. CONCLUSION

- 9.1 The administration of the liquidation will continue in order to seek a members' resolution in respect of our post appointment remuneration and to continue chasing HMRC for tax clearance in order to bring the liquidation to a conclusion.
- 9.2 If you require any further information, please contact Aimee Mohsen at this office.



Peter Kubik
Joint liquidator

Appendix 1
Statutory information

Company name:	Salford Academy Trust
Registered office:	c/o UHY Hacker Young LLP, Quadrant House, 4 Thomas More Square, London E1W 1YW
Former registered office:	c/o Salford Academy Trust, Frontier House, Merchants Quay, Salford M50 3SR
Registered number:	08115121
Name of liquidators:	Peter Kubik and Brian Johnson
Address of liquidators:	c/o UHY Hacker Young LLP, Quadrant House, 4 Thomas More Square, London E1W 1YW
IP numbers	9220 and 9288
Date of appointment of liquidators:	10 September 2021
Appointed by:	The members
Contact name:	Aimee Mohsen
Email address:	a.mohsen@uhy-uk.com

Appendix 2**Receipts and payments account for the period 10 September 2021 to 09 September 2022**

Declaration of Solvency £		From 10/09/21	From 10/09/21
		To 09/09/22	To 09/09/22
ASSET REALISATIONS			
	Lloyds compensation	2,036.00	2,036.00
220,447	Cash at Bank	238,527.86	238,527.86
	Bank Interest Gross	44.83	44.83
220,447		240,608.69	240,608.69
COST OF REALISATIONS			
	Pre-appointment advisory fee	(5,757.50)	(5,757.50)
	Specific Bond	(130.00)	(130.00)
	Office Holders Fees	(9,000.00)	(9,000.00)
	Statutory Advertising	(270.00)	(270.00)
	Accountancy Fees	(975.00)	(975.00)
	Professional Fees	(2,170.00)	(2,170.00)
	INSOLV fee	(110.00)	(110.00)
		(18,412.50)	(18,412.50)
UNSECURED CREDITORS			
22,453	Trade Creditor	(22,776.00)	(22,776.00)
		199,420.19	199,420.19
REPRESENTED BY			
	Interest Bearing Current Account		199,420.19
			199,420.19

Appendix 3 – Pre-appointment time costs incurred (advisory)

Classification of work function	Partner		Snr manager		Administrator		Total hours	Total cost £	Avg hourly rate £
	Hours	£	Hours	£	Hours	£			
Administration and planning									
Administrative set-up	0.00	0.00	0.00	0.00	2.90	377.00	2.90	377.00	130.00
Case planning	8.50	4,037.50	4.40	1,260.00	0.20	26.00	13.10	5,323.50	406.37
Maintenance of records	0.00	0.00	0.20	57.00	0.00	0.00	0.20	57.00	285.00
TOTAL HOURS	8.50		4.60		3.10		16.20		
TOTAL TIME CHARGED (£)		£4,037.50		£1,317.00		£403.00		£5,757.50	
Average hourly cost (£)		475.00		286.30		130.00			355.40

Appendix 4

Narrative detail of work undertaken

General description	Includes
Administration and planning	
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements
Document maintenance/file review/checklist	Filing of documents Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening account Requesting bank statements Bank account reconciliations Maintenance of the estate cash book Banking remittances BACS payment in respect of corporation tax refund
Planning / review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Member reports	Responding to members' queries
Realisation of assets	
Cash at bank	Arranging transfer of funds from UHY client account to the liquidation account Liaising with the bank to notify of our appointment and to request closing balances to be remitted to liquidation account
Lloyds compensation	Liaising with directors in relation to compensation awarded Receiving compensation into liquidation account
Creditors	
Creditor communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Finalising pre appointment tax position
Dealing with proofs of debt ("POD")	Receipting and filing POD when not related to a dividend
Processing proofs of debt	Preparation of correspondence to potential creditors inviting submission of POD Receipt of POD Adjudicating POD

Appendix 5

A members' guide to liquidators' fees - England and Wales

1 Introduction

When a company goes into liquidation the costs of the proceedings are paid out of its assets. The members (i.e. shareholders) therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as liquidator. The insolvency legislation recognises this interest by providing mechanisms for members to fix the basis of the liquidator's fees. This guide is intended to help members be aware of their rights to approve and monitor fees and explains the basis on which fees are fixed.

2 Liquidation procedure

Liquidation (or 'winding up') is the most common type of corporate insolvency procedure. Liquidation is the formal winding up of a company's affairs entailing the realisation of its assets and the distribution of the proceeds in a prescribed order of priority. Where a declaration of solvency has been sworn by all or a majority of the directors of a company (as would usually be the case where they believe that the Trust has surplus assets to be distributed to members) a liquidation instituted by resolution of the shareholders is called a members' voluntary liquidation (often abbreviated to 'MVL').

3 Fixing the liquidator's fees

The basis for fixing the liquidator's remuneration in an MVL is set out in the Insolvency (England & Wales) Rules 2016 ("the Rules"). The Rules state that the remuneration shall be fixed either:

as a percentage of the value of the assets which are realised or distributed or both, or
by reference to the time properly given by the liquidator and his staff in attending to matters arising in the winding up; or
as a set amount.

Any combination of these bases may be used to fix the remuneration and different bases may be used for different things done by the liquidator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the liquidator.

4. Who fixes the remuneration?

It is for the members of the Trust to determine on which of these bases the remuneration is to be fixed, and if it is to be fixed as a percentage, to fix the percentage to be applied. The Rules state that in arriving at their decision the members shall have regard to the following matters:

the complexity (or otherwise) of the case;
any respects in which, in connection with the Trust's affairs, there falls on the liquidator any responsibility of an exceptional kind or degree;
the effectiveness with which the liquidator appears to be carrying out, or to have carried out, his duties;
the value and nature of the assets with which the liquidator has to deal.

A resolution specifying the terms on which the liquidator is to be remunerated may be taken at the meeting which appoints the liquidator. If the remuneration is not fixed in any of these ways, it will be in accordance with the scale laid down for official receivers.

5. **Review of remuneration**

Where there has been a material and substantial change in circumstances since the basis of the liquidator's remuneration was fixed, the liquidator may request that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6. **What information should be provided by the liquidator?**

General principles

The liquidator should provide those responsible for approving his remuneration with sufficient information to enable them to make an informed judgement about the reasonableness of the liquidator's request. The information should be presented in a manner which is transparent, consistent throughout the life of the case and useful to member, while being proportionate to the circumstances of the case.

The liquidator should disclose:

payments, remuneration and expenses arising from the administration paid to the liquidator or his or her associates;

any business or personal relationships with parties responsible for approving the liquidator's remuneration or who provide services to the liquidator in respect of the insolvency appointment where the relationship could give rise to a conflict of interest.

The liquidator should inform members of their rights under insolvency legislation, and should advise them how they may access suitable information setting out their rights within the first communication with them and in each subsequent report.

Where the liquidator sub-contracts out work that could otherwise be carried out by the liquidator or his or her staff, this should be drawn to the attention of members with an explanation of why it is being done.

Key issues

The key issues of concern to those with a financial interest in the level of payments from the insolvency estate will commonly be:

the work the liquidator anticipates will be done, and why that work is necessary;

the anticipated cost of that work, including any expenses expected to be incurred in connection with it;

whether it is anticipated that the work will provide a financial benefit, and if so what benefit (or if the work provided no direct financial benefit, but was required by statute);

the work actually done and why that work was necessary;

the actual costs of the work, including any expenses incurred in connection with it, as against any estimate provided;

whether the work has provided a financial benefit, and if so what benefit (or if the work provided no direct financial benefit, but was required by statute).

When providing information about payments, fees and expenses, the liquidator should do so in a way which facilitates clarity of understanding of these key issues. Narrative

explanations should be provided to support any numerical information supplied. Where it is practical to do so, the liquidator should provide an indication of the likely return to creditors when seeking approval for the basis of his remuneration.

When approval for a fixed amount or a percentage basis is sought, the liquidator should explain why the basis requested is expected to produce a fair and reasonable reflection of the work that the liquidator anticipates will be undertaken.

If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not out of the assets of the Trust.

9. Other matters relating to fees

Where the liquidator realises assets on behalf of a secured creditor he is entitled to be remunerated out of the proceeds of sale in accordance with the scale laid down for the official receivers. Usually, however, the liquidator will agree the basis of his fee for dealing with charged assets with the secured creditor concerned.

Where two (or more) joint liquidators are appointed it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute between them may be referred to the court, or a meeting of members.

If a new liquidator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new liquidator until a further determination, resolution or court order is made.

Where the basis of the remuneration is a set amount, and the liquidator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing liquidator. The application must be made to the same body as approved the remuneration. Where the outgoing liquidator and the incoming liquidator are from the same firm, they will usually agree the apportionment between them.

There may also be occasions when members will agree to make funds available themselves to pay for the liquidator to carry out tasks which cannot be paid for out of the assets. Any arrangements of this nature will be a matter for agreement between the liquidator and the members concerned and will not be subject to the statutory rules relating to remuneration.

Whilst every care has been taken in its preparation, this statement is intended for general guidance only.