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Rule 18.7 of the
Insolvency (England &
Wales) Rules 2016 and
Sections 92A, 104A and
192 of the Insolvency
Act 1986.

LIQ03

Notice of progress report in voluntary winding up



Companies House



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COMPANIES HOUSE

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TUESDAY

1 Company details

Company number O C 4 0 0 1 7 1

Company name in full Northgate No 1 Securities LLP

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Anthony

Surname Murphy

3 Liquidator's address

Building name/number 3rd Floor

Street Office 305

31 Southampton Row

Post town Holborn

County/Region London

Postcode W C 1 B 5 H J

Country United Kingdom

4 Liquidator's name ①

Full forename(s) Lloyd

Surname Biscoe

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number The Old Exchange

Street 234 Southchurch Road

Post town Southend on Sea

County/Region Essex

Postcode S S 1 2 E G

Country United Kingdom

② Other liquidator

Use this section to tell us about
another liquidator

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	d 1 d 6	m 0 m 6	y 2 y 0 y 1 y 8
To date	d 1 d 5	m 0 m 6	y 2 y 0 y 1 y 9

7 Progress report

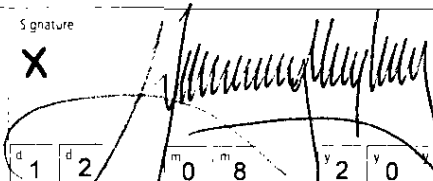
☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

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LIQ03

Notice of progress report in voluntary winding up



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	Darren Fanthorpe				
Company name	Harrisons Business Recovery & Insolvency (London) Limited				
Address	20 Midtown 20 Procter Street				
Post town	Holborn				
County/Region	London				
Postcode	W	C	1	V	6 N X
Country	United Kingdom				
DX					
Telephone	0207 317 9160				



Checklist

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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.



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The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



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**Liquidators' Annual
Progress Report to
Creditors & Members**

**Northgate No 1 Securities LLP
(in Liquidation)
" Northgate / the LLP "**

12 August 2019

NORTHGATE NO 1 SECURITIES LLP - IN LIQUIDATION

CONTENTS

- 1** Introduction and Statutory Information
- 2** Progress of the Liquidation
- 3** Creditors
- 4** Liquidators' Remuneration
- 5** Creditors' Rights
- 6** Next Report

APPENDICES

- A** Receipts and Payments Account for the Period from 16 June 2018 to 15 June 2019 and cumulative for the period 16 June 2017 to 15 June 2019.
- B** Time Analysis for the Period from the 16 June 2018 to 15 June 2019 and cumulative for the period 16 June 2017 to 15 June 2019
- C** Additional information in relation to Liquidators' Fees, Expenses & Disbursements

NORTHGATE NO 1 SECURITIES LLP - IN LIQUIDATION

1 Introduction and Statutory Information

- 1.1 Northgate's registered number is OC400171.
- 1.2 I, Anthony Murphy of Harrisons Business Recovery & Insolvency (London) Limited ("Harrisons"), 20 Midtown, 20 Procter Street, London, WC1V 6NX, was appointed as Joint Liquidator of Northgate with Lloyd Biscoe of Begbies Traynor (Central) LLP ("Begbies") on 16 June 2017. This progress report covers the period 16 June 2018 to 15 June 2019 ("the Period"). This report should be read in conjunction with previous reports issued.
- 1.3 Information about the way that we will use, and store personal data on insolvency appointments can be found at <http://harrisons.uk.com/privacy-policy/>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.4 The principal trading address of the LLP was 18 Clapham Common West Aisle, London, SW4 9AL and the registered office was c/o NLP Chartered Accountants, Regina House, 124 Finchley Road, London, NW3 5JS. The registered office is now c/o Harrisons at the above address.
- 1.5 This report should be read in conjunction with previous correspondence and reports.

2 Progress of the Liquidation

- 2.1 This section of the report provides creditors with an update on the progress made in the Liquidation during the Period and an explanation of the work done by the Liquidators and their staff.
- 2.2 At Appendix A is our Receipts and Payments Account for the Period.

Administration (including statutory compliance & reporting)

- 2.3 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work we anticipated that would need to be done in this area was outlined to creditors in our initial fees estimate/information.
- 2.4 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidators.
- 2.5 As noted in our initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

VAT Refund

- 2.6 As previously reported, HMRC raised pre-appointment assessments against the LLP, which were offset against the VAT refund of £20,861. The Liquidators successfully rebutted the assessments.
- 2.7 The £20,861 was recovered in full in the Period.

Retentions

- 2.8 As previously reported, there was some £40,000 ("the Retention") held in escrow by lawyers acting for the buyer of the site at 13-23 Northgate Street ("the Buyer"). It was the Buyer's contention that remedial works at the site exceeded the value of the Retention held in escrow.
- 2.9 During the Period, the Liquidators contested the value of the remedial works claimed by the Buyer, and an agreement was reached for a lower sum.
- 2.10 In the Period, some £17,189 was released back to Northgate from the retention monies held in escrow. No further recoveries are expected from this asset.
- 2.11 It is considered that the work the Liquidators and their staff have undertaken to date will bring a financial benefit to creditors and may result in a distribution to the unsecured creditors of the LLP.
- 2.12 Save for any recoveries made from the investigations being undertaken by Begbies (please see further comment below), there are no further asset realisations to be achieved in the liquidation.

Creditors (claims and distributions)

- 2.13 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. A Liquidator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the LLP. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.14 Claims from preferential creditors typically involve employee claims and payments made on behalf of the LLP by the Redundancy Payments Service following dismissal. In this case, there are no employee claims.
- 2.15 The above work will not necessarily bring any financial benefit to creditors generally, however a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidators in dealing with those claims.
- 2.16 Please see section 3 for a detailed narrative on creditors.

Investigations

- 2.17 Some of the work the Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (**CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.

NORTHGATE NO 1 SECURITIES LLP - IN LIQUIDATION

- 2.18 We can confirm that we have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, we are unable to disclose the contents.
- 2.19 Shortly after appointment, we made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account any information provided by creditors.
- 2.20 As previously reported, Begbies are responsible for carrying out an investigation into the demise of the LLP. At present, Begbies are unable to provide details of what claims, if any, the Liquidators are considering and/or pursuing, as to do so may prejudice the outcome of any action taken. We will update creditors in full, as far as we are able, as and when it is appropriate to do so.

3 Creditors

Secured Creditors

- 3.1 Property Finance Nominees (No.3) Limited ("PFN") held a fixed charge over Northgate's assets. A settlement payment of £484,420 was made to PFN and it was repaid in full.

Unsecured Creditors

- 3.2 In the first instance, Begbies will collate and adjudicate the claims of unsecured creditors.
- 3.3 We have received unsecured claims totalling £1,680,055, which have not been adjudicated (please note that no claim in the estate has been admitted nor rejected). The Statement of Affairs figure for unsecured creditors was £1,682,926.
- 3.4 ***It is still anticipated there will be a dividend distribution to unsecured creditors, and the Liquidators will be seeking to formally agree claims shortly.***
- 3.5 ***At present, we are unable to comment on the quantum of any dividend distribution.***

4 Liquidators' Remuneration

- 4.1 Creditors approved that the basis of the Joint Liquidators' remuneration be fixed by reference to the time properly given by Begbies (as Joint Liquidator) and the various grades of its staff calculated at the prevailing hourly charge out rates of Begbies.
- 4.2 In addition, Harrisons remuneration be fixed as a set amount of £47,500. The Joint Liquidators also be authorised to draw disbursements for services provided by their firms and/or entities within Begbies and Harrisons. Begbies fees estimate/information was originally provided to creditors when the basis of its remuneration was approved and was based on information available to the Joint Liquidator at that time.
- 4.3 A copy of that estimate is reproduced below:

Category of work	Estimated Number of Hours	Average blended charge out rate	Estimated cost
Compliance with the Insolvency Act, Rules and best practice	26	337.31	8,770

NORTHGATE NO 1 SECURITIES LLP - IN LIQUIDATION

Compliance with the Insolvency Act, Rules and best practice	28	348.57	9,760
Investigations	52	370.58	19,270
Dealing with all creditors' claims (including employees), correspondence and distributions	50	359.50	17,975
Other matters which includes meetings, tax, litigation, pensions and travel	20	287.50	5,750
Total estimated fees	176	\$470.6	60,720

- 4.4 Begbies time costs for the Period are £16,859. This represents approximately 55 hours at an average rate of £307 per hour. Begbies total costs to 15 June 2019 are £57,132. This represents approximately 184 hours at an average rate of £311 per hour.
- 4.5 Attached as Appendix B is an analysis of Begbies' time, which provides details of the activity costs incurred by staff grade during the Period by reference to time properly spent in managing the liquidation. To date, Begbies has drawn £53,127 on account of these time costs.
- 4.6 Harrisons has drawn £40,600 against the total set fee agreed of £47,500 approved by creditors.
- 4.7 At the date of this report, our fees estimate for the liquidation remains unchanged.
- 4.8 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <http://harrisons.uk.com/creditors-guide-to-fees/>.
- 4.9 Attached as Appendix C is additional information in relation to the Liquidators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

5 Creditors' Rights

- 5.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.
- 5.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidators, as set out in this progress report, are excessive.

6 Next Report

- 6.1 We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless we have concluded matters prior to this, in which case we will write to all creditors with our final account.

NORTHGATE NO 1 SECURITIES LLP - IN LIQUIDATION

- 6.2 If you have any queries in relation to the contents of this report, we can be contacted by telephone on 0207 317 9160 or by email at london@harrisons.uk.com.

Yours faithfully



Anthony Murphy
Joint Liquidator

NORTHGATE NO 1 SECURITIES LLP - IN LIQUIDATION

Appendix A – Receipts and Payments Account for the Period from 16 June 2018 to 15 June 2019 and cumulative for the period 16 June 2017 to 15 June 2019

Northgate No 1 Securities LLP
(In Liquidation)
Joint Liquidator's Summary of Receipts & Payments

Statement of Affairs £	From 16/06/2018 To 15/06/2019 £	From 16/06/2017 To 15/06/2019 £
SECURED CREDITORS		
Redemption - Property Finance Nomin	NIL	484,419.99
	NIL	(484,419.99)
ASSET REALISATIONS		
Bank Interest Gross	420.67	628.67
Cash at Bank	NIL	389.89
Funds Held in Client Account	NIL	2,068.89
Leasehold Property	17,188.85	789,668.31
VAT Refund	20,391.92	20,391.92
	38,001.44	813,147.68
COST OF REALISATIONS		
Agents'/Valuers' Fees	3,000.00	29,174.00
Cat 1 Bordereau Bonding	NIL	676.00
Cat 1 Statutory Advertising	NIL	326.36
Legal Disbursements	660.00	857.08
Legal Fees	17,820.00	29,850.00
Liquidators Remuneration	27,000.00	105,726.50
Printing, Postage and Stationery	NIL	19.61
Travel Expenses	512.00	664.00
	(48,992.00)	(167,293.55)
	(10,990.56)	161,434.14
REPRESENTED BY		
Bank 2 Current (IB)		156,941.54
Vat Receivable		4,492.60
		161,434.14

Note:

NORTHGATE NO 1 SECURITIES LLP - IN LIQUIDATION

Appendix B – Time Analysis for the Period from the 16 June 2018 to 15 June 2019 and cumulative for the period 16 June 2017 to 15 June 2019

SIP9 Northgate No1 Securities LLP - Creditors Voluntary Liquidation - 03NO139 CVL : Time Costs Analysis From 16/06/2018 To 15/06/2019

Staff Grade	Case Planning	Consultant/Partner	Director	Srct Mngt	Mngt	Asst Mngt	Srct Admin	Admin	Jrct Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Administration	1.0	1.2		0.3						2.2	1,044.00	474.55
	Total for General Case Administration and Planning	2.0	1.2		0.3						3.5	1,672.00	477.71
Compliance with the Insolvency Act, Rules and best practice	Appointment						5.8				5.8	1,383.00	238.62
	Banking and Bonding						1.3		0.2	0.4	1.8	407.50	226.39
	Case Closure												
	Statutory reporting and statement of affairs	0.4									0.4	158.00	395.00
Investigations	Total for Compliance with the Insolvency Act, Rules and best practice	0.4					7.1		0.2	0.4	8.1	1,922.80	237.35
	CCDA and investigations	12.1			1.0		26.7				39.8	12,148.50	305.24
	Total for Investigations:	12.1			1.0		26.7				39.8	12,148.50	305.24
Realisation of assets	Debt collection												
	Property, business and asset sales												
	Retention of Third Party assets												
	Total for Realisation of assets:												
Trading	Trading												
	Total for Trading:												
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												
	Others	1.8					1.2				3.0	951.00	317.00
	Creditors committee												
	Total for Dealing with all creditors claims (including employees), correspondence and distributions	1.8					1.2				3.0	951.00	317.00
Other matters which includes making decisions of creditors, meetings, tax, litigation, pensions and travel	Meeting												
	Other												
	Tax												
	Litigation	0.5									0.5	222.50	445.00
	Total for Other matters:	0.5									0.5	222.50	445.00
	Total hours by staff grade:	18.8	1.2		1.3		33.0		0.2	0.4	54.9	2,222.80	404.89
	Total time cost by staff grade:	7,274.80	474.00		408.50		8,004.50		32.00	64.00	10,858.80		
	Average hourly rate £:	433.01	395.00	0.00	315.00	0.00	245.84	0.00	180.00	180.00			307.88
	Total fees drawn to date £:											0.00	

Staff Grade	Case planning	Consultant/Partner	Director	Sr Mgr	Mngr	Asst Mngr	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly
General Case Administration and Planning	Administration	2.4	1.7		0.3	0.5	0.4		0.5		4.9	2,027.00	413.67
	Total for General Case Administration and Planning	5.0	1.7		0.3	1.3	0.4		0.5		6.7	2,505.00	373.88
Compliance with the Insolvency Act, Rules and best practice	Appointment	7.4									11.8	4,533.00	380.89
	Banking and Bonding						30.8	1.5			32.6	7,571.00	232.24
	Cross Closure	0.2					2.6		0.2	1.2	4.2	925.00	220.24
	Statutory reporting and statement of affairs	0.4	1.7								2.1	829.50	395.00
Investigations	Total for Compliance with the Insolvency Act, Rules and best practice	8.8	1.7				33.4	1.5	0.2	1.2	34.8	8,335.00	239.73
	CDDA and investigations	38.7	8.4		1.0	1.5	56.5	1.9			106.0	32,843.00	310.78
	Total for investigations:	38.7	8.4		1.0	1.5	56.5	1.9			106.0	32,843.00	310.78
Realisation of assets	Debt collection												0.00
	Property, business and asset sales	1.2									1.2	474.00	395.00
	Retention of Third/Third party assets												0.00
	Total for Realisation of assets:	1.2									1.2	474.00	395.00
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others	6.1					1.9		0.4		8.4	2,920.00	347.82
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions	6.1					1.9		0.4		8.4	2,920.00	347.82
Other matters which includes seeking decisions of creditors, meetings, i.e. litigation, pensions and travel	Seeking decisions of creditors												0.00
	Meetings	2.6	5.4								7.9	3,120.50	395.00
	Other	8.0									8.0	3,160.00	395.00
	Tax												0.00
	Litigation	0.5	1.1								1.6	657.00	410.63
	Total for Other matters:	11.0	6.5		1.3	2.8	93.2	3.7	1.1	1.2	118.8	6,837.50	580.43
	Total hours by staff grade:	65.0	10.3		409.50	756.00	22,048.50	844.80	118.00	192.00		57,132.00	
	Total time cost by staff grade:	26,429.00	6,438.50		118.00	210.00	239.72	182.00	180.00	160.00			
	Average hourly rate £:	406.60	355.00		0.00							0.00	
	Total fees drawn to date £:												

Appendix C

Additional Information in Relation to the Liquidator's Fees, Expenses & Disbursements

1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner/Director, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 We have not utilised the services of any sub-contractors in this case.

2 Professional Advisors

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Professional Advisor	Basis of Fee Arrangement
Neil Davies & Partners Solicitors (legal advice)	Hourly rate and disbursements
Sprecher Grier (legal advice)	Hourly rate and disbursements
Fieldfisher LLP (legal advice)	Hourly rate and disbursements
AUA Insolvency Risk Services (insurance)	Premium based on asset values
Savills (valuation and disposal advice)	Hourly rate and disbursements

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

3 Liquidator's Expenses & Disbursements

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the liquidation was provided to creditors when the basis of my fees were approved, a copy of which is set out below:

Category	Amount
Agents' costs for valuation and disposal of sub-lease	26,174
Solicitors' costs for disposal of sub-lease	11,350
Solicitors' costs to advise on any conflict issues	680
Insurance	Nil
Statutory advertising	326
Specific penalty bond	550
External storage of company's books and records	NIL
External meeting room hire	NIL
Re-direction of the Company's mail	NIL
Case related travel & subsistence	NIL
Category 2 disbursements charged by the firm:	NIL

NORTHGATE NO 1 SECURITIES LLP - IN LIQUIDATION

Current position of Liquidator's expenses

- 3.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Expenses incurred to date	Expenses incurred in the period since the last report	Expenses incurred but not paid to date	Expenses incurred but not paid at the date of this report
Agents' costs	26,174	3,000	NIL	29,174
Solicitors' costs (sub-lease)	11,350	NIL	NIL	11,350
Solicitors' costs (conflict)	680	NIL	NIL	680
Legal fees (investigations)	NIL	17,820	7,490	Uncertain
Legal disbursements	197	660	199	Uncertain
Statutory advertising	326	NIL	NIL	326
Specific penalty bond	676	NIL	NIL	676
Printing, Postage and Stationery	20	NIL	NIL	20
Travel Expenses	152	512	NIL	664

- 3.3 During the Period, £3,000 plus VAT was paid to Gary Drewery Accountants to prepare a report commenting on the flow of LLP funds and the losses incurred by Northgate pre liquidation.
- 3.4 NDP Solicitors ("NDP") are instructed by the Joint Liquidator [Begbies] in respect of the ongoing investigations into the demise of the LLP, and the conduct of the former officers with a view to establishing whether any recoveries can be made for the benefit of Northgate's creditors.
- 3.5 During the Period, £17,820 plus VAT was paid to NDP in respect of legal fees. A further £660 plus VAT was paid in respect of disbursements. NDP has accrued further costs of some £7,689, which will be paid in the subsequent period.
- 3.6 *Please note: at the time of preparing the original estimate of costs in the liquidation, the extent of the investigation work was unknown. The costs incurred by NDP were not anticipated, and therefore an estimate was not provided.*
- 3.7 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.
- 3.8 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question, but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

4 Charge-Out Rates

- 4.1 Begbies charge-out rates for this assignment are detailed as follows:

	£
Partner	495-550
Director	395
Senior Manager	365
Manager	315
Assistant Manager	270
Senior Administrator	235
Administrator	185
Trainee Administrator	160
Support	160