

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 5 4 0 6 9 7 2

Company name in full Cannon Automotive Limited - in Liquidation

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Kristina

Surname Kicks

3 Liquidator's address

Building name/number 10

Street Fleet Place

Post town London

County/Region

Postcode E C 4 M 7 R B

Country

4 Liquidator's name ①

Full forename(s) David John

Surname Standish

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 10

Street Fleet Place

Post town London

County/Region

Postcode E C 4 M 7 R B

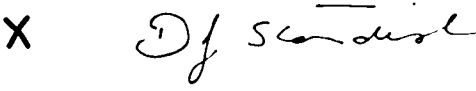
Country

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	9	^m	0	^m	5	^y	2	^y	0	^y	2	^y	2
To date	^d	2	^d	8	^m	0	^m	5	^y	2	^y	0	^y	2	^y	3
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	7	^m	0	^m	7	^y	2	^y	0	^y	2	^y	3

**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 Edward Bittante

Company name Interpath Advisory

Address 15 Canada Square

Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

DX

Telephone Tel +44 (0) 121 817 8600

**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

Cannon Automotive Limited – in Liquidation

Joint Liquidators' progress
report for the period from 29
May 2022 to 28 May 2023

1 Executive summary

Kristina Kicks and David Standish were appointed Joint Liquidators ("Joint Liquidators") of Cannon Automotive Limited ("the Company") on 16 August 2020, replacing former liquidator Mark Reynolds of Valentines pursuant to a Court Order of the same date.

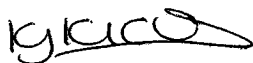
This report provides an update on the liquidation and details the Joint Trustees' progress for the period from 29 May 2022 to 28 May 2023.

We have included an account of all amounts received and payments made during the period from 29 May 2022 to 28 May 2023, including the cumulative receipts and payments since the date of liquidation (Appendix 2).

The Joint Liquidators' time costs and expenses are detailed in Appendix 3 and 4.

A glossary of the abbreviations used throughout this document is attached at Appendix 5.

Please also note that an important legal notice about this report is attached at Appendix 6.



Kristina Kicks
Joint Liquidator

2 Progress to date

This section updates you on the progress of the liquidation to date.

2.1 Asset realisation

During the reporting period, the Joint Liquidators entered into a settlement agreement with third parties (the **"Settlement Agreement"**) in relation to claims brought upon the advice of our solicitors, Addleshaw Goddard.

The terms of the Settlement Agreement are confidential, however as can be noted at Appendix 2, a settlement sum of £6million has been received.

Since the settlement monies were received, the majority of costs in the liquidation and a first and second dividend have been paid. We retained a percentage of the settlement monies as a contingent for any corporation tax liability.

2.2 Progress in the period

During the period, we liaised with our tax colleagues issued our corporation tax clearance request to HM Revenue & Customs.

HM Revenue & Customs subsequently agreed our request and there is no corporation tax liability due from the Liquidation estate.

Now that tax clearance has been provided, the balance retained from the settlement monies will meet outstanding costs and a third and final dividend will be paid.

The only outstanding matter in the liquidation estate will be to submit and receive a final VAT reclaim on costs paid. Thereafter, we will proceed to close the liquidation estate.

2.3 Costs & Expenses

Payments made in the period are set out in the receipts and payments account at Appendix 2.

Third-party funding

We previously received £576,169.28 of third-party funding, which has been utilised for the payment of the Joint Liquidators' costs and legal fees. The funding has since been repaid as detailed in Appendix 2.

Gross interest of £39.75 has been received on the third-party funding to date.

Legal Fees

As above, Addleshaw Goddard have been our instructed solicitors and costs to date of £294,028.95 plus VAT have been paid.

VAT receivable

As above, a VAT reclaim will be submitted shortly after the date of this report for all outstanding VAT receivable.

Other

Other nominal costs incurred to date are detailed in Appendix 3.

3 Dividend prospects

3.1 Secured creditor

The following secured claims are listed on Companies House as registered against the Company and are showing as outstanding:

- Legal charge and Debenture in favour of Royal Bank of Scotland dated 31 May 2005;
- Rent deposit deed in favour of Alexander Murray Greenway, Charles Murray Greenway, and Samantha Murray Greenway; and

There have been no communications with these parties during the liquidation to date.

3.2 Preferential creditors

We are not aware of any preferential claims against the Company.

3.3 Unsecured creditors

During the period, first and second dividends of 34.29p/£ 55.30p/£ respectively, were paid to unsecured creditors.

A third and final dividend will be paid shortly after the date of this report.

4 Joint Liquidators' remuneration

4.1 Joint Liquidators' remuneration and expenses

Time costs

During the period from 29 May 2022 to 28 May 2023, we have incurred time costs of £180,273.50. These represent 231.80 hours at an average rate of £777.71 per hour.

Our remuneration for the time properly spent by the Joint Liquidators and their staff in attending to matters arising in dealing with the liquidation estate at a fee estimate of £350,030.05 (plus VAT) was approved by a decision of creditors on 3 December 2021.

On 25 March 2023, creditors agreed a further decision with respect to the Joint Liquidators' remuneration: A fixed fee of £393,675, plus VAT, for time costs in excess of £350,030.05 payable from realisations in the liquidation estate.

Remuneration

During the period, we drew remuneration totalling £287,500.00 plus VAT as detailed in Appendix 2.

Liquidators' expenses

These are any payments which are neither liquidators' remuneration nor a distribution to a creditor or a member. Expenses also include disbursements which are payments first met by the Joint Liquidators, and then reimbursed to the Joint Liquidators from the estate.

During the period, we have incurred expenses of £23.87 of travel costs.

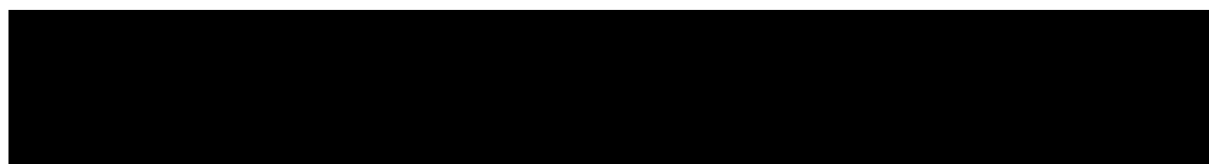
We have attached an analysis of the time spent and the charge-out rates for each grade of staff at Appendix 4. We have also attached our charging and expenses policy.

Appendix 1 Statutory information

Company name	Cannon Automotive Limited - in Liquidation
Date of incorporation	30 March 2005
Company registration number	05406972
Previous registered office	Valentine & Co Glade House 52-54 Carter Lane London EC4V 5EF
Present registered office	10 Fleet Place, London, EC4M 7RB
Trading address	Arcc Pampisford Road Great Abington Cambridge CB21 6AH
Nature of business	Automotive

Date of appointment	6 August 2020
Joint Liquidators' details	Kristina Kicks and David Standish
Joint Liquidators' address	10 Fleet Place, London, EC4M 7RB
EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC regulations.

Appendix 2 Joint Liquidators' receipts and payment account



Liquidation Estate Account

ASSET REALISATIONS

Settlement Monies	6,000,000.00	6,000,000.00
Bank interest, gross	427.09	427.12
Cash at bank	0.00	253.41
	6,000,427.09	6,000,680.53

COST OF REALISATIONS

Liquidator's fees	(208,333.33)	(208,333.33)
Liquidator's expenses	NIL	NIL
Agents'/Valuers' fees	NIL	NIL
Legal fees	(71,937.50)	(71,937.50)
Repayment of third-party funding	(586,888.56)	(586,888.56)
Bank charges	(45.00)	(45.00)
	(867,204.39)	(867,204.39)

UNSECURED CREDITORS

Dividends to creditors	(3,936,786.98)	(3,936,786.98)
	(3,936,786.98)	(3,936,786.98)

3,507,908.00

1,196,435.72

1,196,689.16

REPRESENTED BY

VAT Receivable	56,054.17
Barclays current account	1,140,634.99
	1,196,689.16



To 28/05/2023

Third Party Funding Account

RECEIPTS

ISA fixed interest, gross	32.81	39.75
Third party funding	0.00	576,169.28
	32.81	576,209.03

PAYMENTS

Bank charges	(0.00)	(45.00)
Liquidators' fees	(79,166.67)	(334,166.67)
Liquidators' expenses	(415.80)	(415.80)
Legal fees	(55,991.72)	(222,091.45)
Transcription fees	(361.20)	(361.20)
	(135,935.39)	(557,080.12)

(135,902.58) **19,128.91**

REPRESENTED BY

VAT receivable	16,533.33
Authorised local current	2,595.58
	19,128.91

Appendix 3 **Schedule of expenses**

Schedule of expenses (29/05/2022 to 28/05/2023)

Expenses (£)	Incurred and paid in the period (£)	Total (£)
Cost of realisations		
Liquidator's fees	287,500.00	287,500.00
Legal fees	127,929.22	127,929.22
Repayment of third-party funding	586,888.56	586,888.56
Bank charges	45.00	45.00
TOTAL	1,002,362.78	1,002,362.78

Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this report, you must do so in writing within 21 days of receiving this report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this report, you must do so by making an application to Court within eight weeks of receiving this report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant Rules can be provided on request by writing to Edward Bittante at Interpath Advisory, 10 Fleet Place, London, EC4M 7RB.

To date, the following time-costs have been incurred:

11

Creditors Meeting	2.90				2.90	2,909.00	1,003.10
General correspondence	16.10				16.10	15,888.50	986.86
Legal claims	71.00				71.00	70,347.50	990.81
Payment of dividends			6.25		6.25	3,038.75	486.20
Statutory reports			4.00		4.00	1,900.00	475.00
Investigation							
Directors							
Correspondence with directors	0.90				0.90	886.50	985.00
Investigations							
Correspondence re investigations	5.50	0.90	2.20		8.60	7,064.50	821.45
Realisation of assets							
Asset Realisation							
Insurance	0.10				0.10	98.50	985.00
Recoveries from Investigations	2.65				2.65	2,610.25	985.00
Total in period	120.00	26.55	85.25	0.00	231.80	180,273.50	777.71
Brought forward time (appointment date to SIP 9 period start date)							
					623.40	366,919.30	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)							
					231.80	180,273.50	
Carry forward time (appointment date to SIP 9 period end date)							
					855.20	547,192.80	

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes.

Joint Liquidators' charging policy

The time charged to the liquidation is by reference to the time properly given by us and our staff in attending to matters arising in the liquidation.

Our policy is to delegate tasks in the liquidation to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Liquidators' Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/guide-to-liquidators-fees/>

Hourly rates

Set out below are the relevant charge-out rates per hour worked for the grades of our staff actually or likely to be involved on this liquidation. Time is charged by reference to actual work carried out on the liquidation.

All staff who have worked on the liquidation, including cashiers and secretarial staff, have charged time directly to the liquidation and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the liquidation but is reflected in the general level of charge-out rates.

Charge-out rates (£) for: CRP

Grade	From 28 May 2022 £/hr	From 01 Mar 2023 £/hr
Partner	985	1060
Director	910	980
Senior Manager	810	870
Manager	650	700
Senior Administrator	475	510
Administrator	350	375
Support	165	175

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the liquidation. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of expenses

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 expenses from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Expenses: These are any payments which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the office holder, and then reimbursed to the office holder from the estate.

Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 expenses: These are payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 expenses charged by Interpath Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.
- Use of company car – 60p per mile.
- Use of partner's car – 60p per mile.

Appendix 5 Glossary

Company	Cannon Automotive Limited - in Liquidation - in Liquidation
Joint Liquidators/we/our/us	Kristina Kicks and David Standish
Interpath/Interpath Advisory	Interpath Ltd

Any references in this report to Sections, Paragraphs and Rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, and the Insolvency (England and Wales) Rules 2016 respectively.

Appendix 6 Notice: About this report

This progress report has been prepared by Kristina Kicks and David Standish, the Joint Liquidators of Cannon Automotive Limited - in Liquidation (the 'Company'), solely to comply with their statutory duty under the Insolvency Rules (England and Wales) 2016 to provide members and creditors with an update on the progress of the liquidation of the estate, and for no other purpose.

This report is not suitable to be relied upon by any other person, or for any other purpose or in any other context including any decision in relation to the debt of or any financial interest in the Company. Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules (England and Wales) 2016 does so at their own risk. Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for individual creditors.

Kristina Kicks and David John Standish are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

The Officeholders are Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – www.interpathadvisory.com/privacy-insolvency.

The appointments of the Joint Liquidators are personal to them and, to the fullest extent permitted by law, Interpath Ltd does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the liquidation.

www.interpathadvisory.com

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