

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	O	C	3	9	5	4	1	6
Company name in full	Junction Road Property LLP							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s)	Matthew Robert
Surname	Howard

3 Liquidator's address

Building name/number	Anglia House, 6 Central Avenue
Street	St Andrews Business Park
Post town	Thorpe St Andrew
County/Region	Norwich
Postcode	N R 7 0 H R
Country	

4 Liquidator's name ①

Full forename(s)	Stuart David
Surname	Morton

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number	Anglia House, 6 Central Avenue
Street	St Andrews Business Park
Post town	Thorpe St Andrew
County/Region	Norwich
Postcode	N R 7 0 H R
Country	

② Other liquidator

Use this section to tell us about
another liquidator.

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Notice of progress report in voluntary winding up

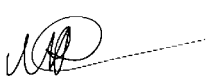
6 Period of progress report

From date	^d 1	^d 9	^m 1	^m 1	^y 2	^y 0	^y 2	^y 0
To date	^d 1	^d 8	^m 1	^m 1	^y 2	^y 0	^y 2	^y 1

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached

8 Sign and date

Liquidator's signature	Signature X  X
Signature date	^d 1 ^d 7 ^m 0 ^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 **Alicia Clough**

Company name **Price Bailey LLP**

Address **Causeway House**

1 Dane Street

Post town **Bishop's Stortford**

County/Region **Hertfordshire**

Postcode

C	M	2	3		3	B	T
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Country

DX

Telephone **01279 755888**

**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

Junction Road Property LLP
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Declaration of Solvency £		From 19/11/2020 To 18/11/2021 £	From 19/11/2015 To 18/11/2021 £
	ASSET REALISATIONS		
9,630,000.00	Freehold Land & Property	NIL	9,630,000.00
	Interest Gross	NIL	145.62
3,000,000.00	Loan to Members	NIL	NIL
		NIL	9,630,145.62
	COST OF REALISATIONS		
	Agents Fees - Aurum	NIL	115,560.00
	Agents Fees - Strettons	NIL	108,966.00
	Consultants Fees	NIL	1,374.00
	Legal Expenses	NIL	1,920.71
	Tank Retention	NIL	15,000.00
		NIL	(242,820.71)
	COST OF ADMINISTRATION		
	Accountancy Fees	1,500.00	2,316.55
	Accountancy Fees re RCP LLP	NIL	816.55
(226,000.00)	Corporation Tax	NIL	173,925.40
	Liquidator's Expenses	NIL	1,160.43
	Liquidator's Fees	NIL	8,000.00
	Non Recoverable VAT	300.00	2,456.98
		(1,800.00)	(188,675.91)
	FLOATING CHARGE CREDITORS		
(3,000,000.00)	NatWest Bank plc	NIL	3,365,781.42
		NIL	(3,365,781.42)
	UNSECURED CREDITORS		
(8,500,000.00)	Members' Loan	NIL	5,767,166.77
		NIL	(5,767,166.77)
904,000.00		(1,800.00)	65,700.81
	REPRESENTED BY		
	Bank 1 - Current IB		65,700.81
			65,700.81

Note:



Matthew Robert Howard
Joint Liquidator

Your ref
Our ref J10192/MRH/SDM/AC

T 01279 755 888
E alicia.clough@pricebailey.co.uk
W pricebailey.co.uk

17 January 2022

**STRICTLY PRIVATE AND CONFIDENTIAL
ADDRESSEE ONLY**

To: All Members

Dear Sirs

**JUNCTION ROAD PROPERTY LLP ('THE LLP')
In Members' Voluntary Liquidation**

As I have been unable to conclude my administration of the liquidation, I have, in accordance with statute, prepared my annual progress report to members.

If members have any queries regarding this report or the conduct of the liquidation, please contact Alicia Clough on 01279 755 888.

Yours faithfully



**M R Howard FIPA FABRP
JOINT LIQUIDATOR**
Authorised to act in the UK by the Insolvency Practitioners Association
For and on behalf of
PRICE BAILEY LLP

Enc

OurPromise

At Price Bailey - it's all about you.

Causeway House 1 Dane Street Bishop's Stortford Herts CM23 3BT
Telephone 01279 755888 Fax 01279 755417 E-mail stortford@pricebailey.co.uk Website www.pricebailey.co.uk
Price Bailey DX 311001 BISHOPS STORTFORD 4

Price Bailey LLP is a limited liability partnership registered in England and Wales, number OC307551. The registered office is Causeway House, 1 Dane Street, Bishop's Stortford, Herts, CM23 3BT where a list of members is kept. Price Bailey LLP is registered to carry out audit work in the UK and Ireland by the Institute of Chartered Accountants in England and Wales. Price Bailey is a member of the UK200Group, a national association of separately owned and independently managed accountancy and lawyer firms. Price Bailey is a member of IAPA, a global association of separately owned and independently managed accountancy firms.



**JUNCTION ROAD PROPERTY LLP
(In Members' Voluntary Liquidation)**

**JOINT LIQUIDATORS' ANNUAL REPORT TO MEMBERS
FOR THE YEAR ENDING 18 NOVEMBER 2021**

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- 2 Summary of joint liquidators' time costs**
- 3 Written Resolutions for fee increase**

**JUNCTION ROAD PROPERTY LLP
(IN MEMBERS' VOLUNTARY LIQUIDATION)**

**JOINT LIQUIDATORS' ANNUAL REPORT TO MEMBERS AND CREDITORS
FOR THE YEAR ENDING 18 NOVEMBER 2021**

1 Statutory and general information

LLP number:	OC395416
Joint Liquidators:	Matthew Robert Howard and Stuart David Morton of Price Bailey LLP, Anglia House, 6 Central Avenue, St Andrews Business Park, Thorpe St Andrew, Norwich, NR7 0HR.
Date of appointment:	Matthew Robert Howard: 20 September 2021 Stuart David Morton: 29 November 2021
Former Liquidators:	Paul James Pittman: 19 November 2015 to 20 September 2021 Paul Anthony Higley: 19 November 2015 to 29 November 2021

- 1.1 Members wishing to contact the joint liquidators, should contact Alicia Clough on telephone number 01279 755 888 in the first instance.

2 Joint Liquidators' actions since the last report

- 2.1 This report should be read in conjunction with my previous progress reports and my receipts and payments account which is attached as Appendix 1; please note that the figures are shown net of VAT.
- 2.2 My receipts and payments account confirms that asset realisations have been in line with the declaration of solvency, however, during this reporting period there have been no realisations.
- 2.3 Members will recall that we received notification from HM Revenue & Customs ('HMRC') of an outstanding partnership return for the period ending 5 April 2015. CKRD Accountants were instructed to assist with the preparation of the return and this has been filed.
- 2.4 As previously advised corporation tax, VAT and PAYE clearance has been granted, however, the Liquidators were requested not to close the liquidation without first seeking confirmation of closure from HMRC's Counter Avoidance department. We have instructed Westbridge Tax Limited to assist in further correspondence with HMRC, due to the technical nature of the queries relating to sale of the property and the chargeable gains on disposal. The return regarding the asset disposal was prepared by the LLP's previous accountants.

Other matters

- 2.5 In addition to my responsibility to realise the LLP's assets, I am required to comply with various legislative and best practice obligations and deadlines. These obligations include filing of documents with the Registrar of Companies, ensuring that all receipts and payments are promptly dealt with and proper accounting records are maintained. In addition, I am required to undertake periodic case reviews to monitor progress, advise creditors of the liquidation and record any claims received. Furthermore, I am obliged to deal with any other day to day matters that may arise during the liquidation.

3 Unrealised assets

- 3.1 Loans totalling £3,365,781.42 are owed by the following connected entities:
- £3,290,838.56 owed by Junction Road Motor LLP (London) Limited
 - £74,942.86 owed by Drivecard Limited
- 3.2 The loans resulted from liabilities to the above entities being settled by the LLP under the terms of a cross-guarantee and debenture and will be dealt with as described in section 4.5 of this report.

4 Liabilities

Secured liabilities

- 4.1 An examination of the LLP's mortgage register held by the Registrar of Companies, showed that the LLP granted a charge to National Westminster Bank Plc, registered on 30 September 2015.
- 4.2 There was a debt of £3,365,781.42 relating to a cross-guarantee granted by the LLP and this was paid in full out of the property sale proceeds.

Preferential creditors

- 4.3 The LLP did not have any liabilities to this class of creditor at the date of liquidation and no claims have been received.

Unsecured creditors

- 4.4 All claims received from unsecured creditors were in line with those detailed in the declaration of solvency.
- 4.5 The claim detailed relates to a loan from members totalling £8,500,000 and of which £5,767,167.67 has been paid out of the sale proceeds. The balance of £2,732,833.23 will be dealt with by way of distribution in due course.
- 4.6 This position will be finalised once the HMRC enquiries have been resolved.

5 Distributions to shareholders

- 5.1 There have been no distributions to members to date.

6 Joint liquidators' remuneration

- 6.1 The relevant guide to fees and Price Bailey LLP's fee policy are available at www.pricebailey.co.uk/creditors.
- 6.2 The joint liquidators' remuneration was approved by the members on 19 November 2015 on a fixed costs basis of £5,000 plus disbursements and VAT.
- 6.3 Due to further necessary administrative work, Liquidators sought a fee increase to £8,000 plus VAT and this was approved by members on 21 February 2019.
- 6.4 The estimate of fees provided at the time I requested approval to the basis of my remuneration has been exceeded.

7 Fee increase request

- 7.1 In this case, I have been unable to finalise the liquidation due to outstanding queries from HMRC in connection with the tax treatment of the sale of the property in the year ending 18 November 2016.
- 7.2 Despite continual follow ups with HMRC to ascertain their position there has been little progress, and I understand that the various HMRC departments have substantial backlogs of queries. However, a formal letter was received from HMRC in June 2021 setting out the queries to be resolved.
- 7.3 We are liaising with Westbridge Tax accountants whom we have authorised to correspond with HMRC, on behalf of the Liquidators, so that clearance can be obtained from the tax compliance/ Counter Avoidance department.
- 7.4 Having reviewed our time records for the work undertaken up to 18 November 2021, we have incurred total time costs of £25,805.50; a copy of the schedule of time costs is attached for your information. We have incurred an additional £11,499.15 in time costs since November 2018 when members agreed an additional fee increase of £3,000. Because of the ongoing situation with HMRC and the queries that they have, at this stage we do not know how much time it will take for the position to be resolved, and therefore it is not possible to estimate the extent of the final costs.
- 7.5 However, we would like to invoice the outstanding time costs incurred to date, and are therefore requesting an additional fee of £11,499.15.
- 7.6 We expect our ongoing work to be limited to statutory duties whilst Westbridge Tax continue to resolve the position with HMRC. Once the tax position is resolved, we can provide you with a fee estimate for dealing with the remaining distributions and closure formalities.
- 7.7 It falls to the Members to approve, or reject, my request for a fee increase. I am seeking a written ordinary resolution of the Members and enclose formal notice of the written resolution being sought. Please consider the resolution and vote 'for' or 'against' where indicated. When you have made your decision, please sign and return the written resolution by the following methods:

By Hand: delivering the signed copy for the attention of Matthew Howard of Price Bailey LLP, Causeway House, 1 Dane Street, Bishop's Stortford, CM23 3BT.

Post: returning the signed copy by post to Matthew Howard of Price Bailey LLP, Causeway House, 1 Dane Street, Bishop's Stortford, CM23 3BT.

Fax: faxing the signed copy to 01279 755 417 marked "For the attention of Matthew Howard".

E-mail: by attaching a scanned copy of the signed document to an e-mail and sending it to alicia.clough@pricebailey.co.uk

- 7.8 **Please note that, in accordance with section 296(3) of the Companies Act 2006, once you have signified your agreement to a written resolution your agreement may not be revoked.**
- 7.9 The replies of all of the Members will be collated, and each resolution will be passed if and when the required majority of more than 50% of Members' votes has been reached. Alternatively, if sufficient Members vote against, the resolution will not be passed if it becomes impossible for the required majority in favour to be achieved.
- 7.10 Please return the written resolutions signifying your agreement or rejection to the resolution as soon as possible, and in any event before 14 February 2022, the final expiry date for their consideration. If Members delay voting beyond this date, or abstain from voting, the Company's business may be inconclusive.

8 Joint liquidators' expenses

- 8.1 Details of the expenses that I have paid are shown on the attached receipts and payments account.
- 8.2 In respect of the payment totalling £1,500 plus VAT detailed as *Accountant Fees*, this relates to the professional assistance being provided by Westbridge Tax in dealing with the queries posed by HMRC in connection with the chargeable gains on the property disposal.
- 8.3 The following expenses have been incurred but have not yet been paid:

Type of expense	Amount of expense incurred/accrued to date
Postage	0.69
Statutory Insurance Bond	10.00
Total	10.69

- 8.4 My choice of professionals was based on my knowledge of their experience and ability to perform the type of work required. I have reviewed the fees charged and as they are in line with original estimates, I am satisfied that they are reasonable in the circumstances of this case.

9 Further information

- 9.1 Within 21 days of receipt of a progress report a member may request that the joint liquidators provide further information about the fees and expenses set out in this report. A request must be in writing, with the concurrence of at least 5% in value of members, or the permission of the court.
- 9.2 Any member, if they consider that the joint liquidators' fees are excessive, or that the basis of those fees is inappropriate or that the expenses incurred are excessive, may make an application to the court if at least 10% in value of the members agree. An application must be made within 8 weeks of receipt of this report.
- 9.3 To comply with the Provision of Services Regulations, some general information about Price Bailey LLP can be found at www.pricebailey.co.uk/legal
- 9.4 Details about how Price Bailey LLP uses your personal information can be found at www.pricebailey.co.uk/privacy-cookies.
- 9.5 Details of Price Bailey LLP's complaints policy can be found at www.pricebailey.co.uk/complaints-policy.

10 Conclusion

- 10.1 I am unable to conclude the liquidation due to the outstanding matters with HMRC in connection with the sale of the property and chargeable gains. This is being addressed with the assistance of Westbridge Tax and if there are any significant developments we will notify members.

Should you have any queries regarding this matter please contact Alicia Clough on 01279 755 888.

Yours faithfully



M R Howard FIPA FABRP

JOINT LIQUIDATOR

Authorised to act in the UK by the Insolvency Practitioners Association

For and on behalf of

PRICE BAILEY LLP

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Junction Road Property LLP
(In Liquidation)
Joint Liquidators' Summary of Receipts and Payments

RECEIPTS	Declaration of Solvency (£)	From 19/11/2015 To 18/11/2020 (£)	From 19/11/2020 To 18/11/2021 (£)	Total (£)
Freehold Land & Property	9,630,000.00	9,630,000.00	0.00	9,630,000.00
Loan to Members	3,000,000.00	0.00	0.00	0.00
Interest Gross		145.62	0.00	145.62
		9,630,145.62	0.00	9,630,145.62
PAYMENTS				
Agents Fees - Aurum		115,560.00	0.00	115,560.00
Agents Fees - Strettons		108,966.00	0.00	108,966.00
Legal Expenses		1,920.71	0.00	1,920.71
Consultants Fees		1,374.00	0.00	1,374.00
Tank Retention		15,000.00	0.00	15,000.00
Accountancy Fees		816.55	1,500.00	2,316.55
Accountancy Fees re RCP LLP		816.55	0.00	816.55
Corporation Tax	(226,000.00)	173,925.40	0.00	173,925.40
Liquidator's Fees		8,000.00	0.00	8,000.00
Liquidator's Expenses		1,160.43	0.00	1,160.43
Non Recoverable VAT		2,156.98	300.00	2,456.98
NatWest Bank plc	(3,000,000.00)	3,365,781.42	0.00	3,365,781.42
Members' Loan	(8,500,000.00)	5,767,166.77	0.00	5,767,166.77
		9,562,644.81	1,800.00	9,564,444.81
Net Receipts/(Payments)		67,500.81	(1,800.00)	65,700.81
MADE UP AS FOLLOWS				
Bank 1 - Current IB		67,500.81	(1,800.00)	65,700.81
		67,500.81	(1,800.00)	65,700.81

Note:

**Junction Road Property LLP
(In Members' Voluntary Liquidation)**

Time costs for the period 19 November 2015 to 18 November 2021

Classification of Work	Insolvency Practitioners		Managers		Administrators		Assistants and Support Staff		Total Hours	Time Cost	Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)		£	£
Administration and Planning	33.20	11,204.10	0.90	202.50	65.70	10,818.50	4.14	211.50	103.94	22,436.60	215.86
Creditors & Members	5.20	1,746.90	0.00	0.00	0.00	0.00	0.00	0.00	5.20	1,746.90	335.94
Realisation of Assets	2.40	796.00	0.00	0.00	2.40	360.00	0.00	0.00	4.80	1,156.00	240.83
Cashiering	0.00	0.00	0.00	0.00	3.00	135.00	6.08	331.00	9.08	466.00	51.32
Total	40.80	13,747.00	0.90	202.50	71.10	11,313.50	10.22	542.50	123.02	25,805.50	209.77
Average Hourly Rate, £	336.94		225.00		159.12		53.08				

**INFORMATION TO ASSIST CREDITORS IN MAKING AN INFORMED DECISION ON ANY
RESOLUTION SEEKING APPROVAL OF THE OFFICE HOLDERS REMUNERATION**

Our remuneration and disbursements policy and details of our historic charge out rates can be viewed at: www.pricebailey.co.uk/creditors.

The Creditors' Guides to Fees can also be viewed at this web address. Hard copies can be made available upon request.

Should you require clarification on any of the above, do not hesitate to contact Price Bailey on 01279 755 888.