

WU07

Notice of progress report in a winding-up by the court



Companies House

TUESDAY



A8LGFMJ

A16

31/12/2019

#48

COMPANIES HOUSE

1 Company details

Company number 0 3 5 6 3 5 8 1

Company name in full Venise Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Andrew Anderson

Surname Kelsall

3 Liquidator's address

Building name/number King Street House

Street 15 Upper King Street

Post town Norwich

County/Region

Postcode N R 3 1 R B

Country

4 Liquidator's name ①

Full forename(s) Lee Anthony

Surname Green

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number King Street House

Street 15 Upper King Street

Post town Norwich

County/Region

Postcode N R 3 1 R B

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 0	^d 6	^m 1	^m 1	^y 2	^y 0	^y 1	^y 8
To date	^d 0	^d 5	^m 1	^m 1	^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

Adi Kibari

X

Signature date

^d 1	^d 9	^m 1	^m 2	^y 2	^y 0	^y 1	^y 9
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Venise Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 06/11/2018 To 05/11/2019 £	From 06/11/2018 To 05/11/2019 £
ASSET REALISATIONS		
Cash at Bank	3,980.57	3,980.57
	<u>3,980.57</u>	<u>3,980.57</u>
COST OF REALISATIONS		
ISA Quarterly Charges	88.00	88.00
O.R Debit Balance	9,417.77	9,417.77
Shorthand Transcription Fee	48.02	48.02
	<u>(9,553.79)</u>	<u>(9,553.79)</u>
	<u>(5,573.22)</u>	<u>(5,573.22)</u>
REPRESENTED BY		
Insolvency Services Account		(5,573.22)
		<u>(5,573.22)</u>

**VENISE LIMITED – IN COMPULSORY LIQUIDATION
JOINT LIQUIDATORS' PROGRESS REPORT TO CREDITORS AND MEMBERS**

STATUTORY INFORMATION

Company name:	Venise Limited
Company number:	03563581
Trading address:	163 Kings Road, London, SW3 5TX
Registered office:	1 Claydon Business Park, Great Blakenham, Ipswich, Suffolk, IP6 0NL
Former registered office:	163 Kings Road, London, SW3 5TX
Principal trading activity:	Retail sale of footwear in specialised stores
Liquidators' names:	Andrew Anderson Kelsall and Lee Anthony Green
Liquidators' address	King Street House, 15 Upper King Street, Norwich, NR3 1RB
Date of appointment	6 November 2018
Court name and reference	High Court No. 6336 of 2018
Actions of Joint Liquidators'	Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both of the Liquidators acting jointly or alone.

LIQUIDATORS' ACTIONS SINCE APPOINTMENT

Our duties and functions as Joint Liquidators' are the realisation of the Company's assets, the agreement of the claims of creditors, investigation of the directors' conduct and the company's affairs generally, and the eventual distribution of the Liquidation funds between the creditors in accordance with their legal entitlements. This section is a summary of our report seeking fee approval, although more detail about the assets and liabilities of the Company and our proposed fees and expenses are set out in our report below.

The Company previously traded as a designer shoe and handbag shop in Chelsea, London. The Company entered into a Company Voluntary Arrangement ('CVA') with LB Insolvency acting as Supervisors in July 2016. However, the CVA failed due to unpaid contributions and was therefore terminated in July 2018. As per the Proposals, the Supervisor petitioned for the Company to be wound up which was duly ordered by the High Court on 26 September 2018.

The Official Receiver ('OR') appointed Lee Green and I as Joint Liquidators of the Company on 06 November 2018. Following our appointment we reviewed the documents provided by the OR and complied with our statutory obligations to advertise and notify relevant parties of our appointment.

Following our appointment we liaised with the agents of the landlord to the leased premises to ensure that there were no assets of the Company, including the books and records, located in the former shop premises. Following photographic evidence that the shop was empty, we disclaimed the lease in January 2019.

In order to carry out investigations into the Company affairs and the Director's conduct we have liaised with both the OR and the former CVA Supervisor to gain further information. We have also been in contact with HSBC Bank to seek copy bank statements. Further details of our investigation can be found further below in this report.

We are seeking approval from creditors that our remuneration as Joint Liquidators is fixed on the following basis: a fixed fee of £15,000 for undertaking the following categories of work in the

Liquidation, namely Administration, Creditors and Investigations plus a percentage fee of 15 % of assets realised as detailed below.

The estimated expenses of the Liquidation are £149, not including potential legal fees. Further details can be found at Appendix D.

There is certain work that we are required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since our appointment as Joint Liquidators is contained in Appendix A.

RECEIPTS AND PAYMENTS

Our Receipts & Payments Account for the period from 06 November 2018 to 05 November 2019 is attached at Appendix B.

The debtor balance of funds is held in an interest bearing account at the Insolvency Services Account.

ASSETS

As per the Statement of Affairs provided by the OR, the Company had no assets. We have however identified the following:

Cash at Bank

Following closure of the Company's bank account, funds of £3,980 have been received in the Liquidation. These funds have been paid into the overdrawn Insolvency Service Account.

Stock

As per the Company's latest account dated 31 December 2016, the Company owned stock with a value of £625,000. Whilst the Director has not attended upon either the Official Receiver for the public examination, or us as Joint Liquidators there have been several telephone conversations with the Director.

The Director claims that the stock of goods was all subject to retention of title or was on sale or return and had been returned to the various stock suppliers before the liquidation. No records have been recovered in the liquidation and despite attempts to contact the mainly French based stock suppliers, we have not been able to confirm that this is indeed the case.

LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company granted HSBC Bank Plc a fixed and floating charge over its assets in April 2001.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case the floating charge was created prior to 15 September 2003 such that the prescribed part provisions do not apply.

Preferential Creditors

The Statement of Affairs anticipated no preferential creditors and we confirm that no preferential claims have been received.

Crown Creditors

The Statement of Affairs included £267,703 owed to HMRC. HMRC's claim has not yet been received.

Non-preferential unsecured Creditors

The Statement of Affairs included 8 non-preferential unsecured creditors with an estimated total liability of £116,819. We have received claims from 3 creditors at a total of £53,986, one of which totalling £1,912 was not included in the Statement of Affairs. We have not received claims from 6 creditors with original estimated claims in the Statement of Affairs of £47,311.

DIVIDEND PROSPECTS

Due to there being insufficient assets it is considered unlikely that there will be funds available for any class of creditor.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

We undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. We are required by the Statements of Insolvency Practice to undertake such an initial investigation and the work detailed below has been undertaken in connection with that initial investigation. We identified the following areas where we considered that further investigation was required:

Despite requests, the Director, who resides in France, has failed to deliver up the Company books and records. The Director was ordered to attend a Public Examination in February 2019, however he failed to attend due to illness. The High Court ordered that the Director attend a further Public Examination in May 2019 however he again failed to attend. Due to the Director's age, ill health and location it was considered unlikely that he will return to England and the OR has decided to cease their enquiries.

Following our appointment, we contacted the Bank to obtain copy bank statements for the 12 month period prior to our appointment. An analysis of the statements has been carried out which highlighted that payments have left the Company bank account after the winding-up petition had been issued. We are currently gathering further information surrounding these payments to establish if they can be clawed back under section 127 of the Insolvency Act 1986. As the books and records have not been provided, finding information regarding the nature of these payments has been difficult. We have therefore carried out online research to establish who the payments have been made to and contacted the relevant party to seek further information. We have also contacted the bank for account details of where the funds have been paid in order to establish if the payment was made to a company based in the UK or elsewhere, potentially France. This information will help us to establish if the payments fall under UK or foreign jurisdiction.

Matters requiring further investigation that may lead to potential recovery actions have been identified, and the work outlined above was undertaken to further those investigations with a view to making recoveries for the benefit of the creditors.

LIQUIDATORS' REMUNERATION

Since we were appointed Joint Liquidators we have liaised with various parties regarding the Company's assets and to gather information in order to investigate the Company affairs, as detailed above. We had to undertake this work either as part of our routine administrative functions, or in order to protect and realise the assets of the Company. In addition, we have undertaken routine statutory and compliance work, such as filing notice of our appointment at Companies House and HMRC, placed adverts in the London Gazette and contacted other relevant parties regarding the Liquidation. These are tasks that are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

In this case we are seeking to fix the basis of our remuneration on more than one basis as detailed below:

Fixed fee basis:

There are certain tasks that we must carry out on nearly every Liquidation, namely Administration, Creditors and Investigations. Although they are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, they do not produce any direct benefit for creditors, but still must be carried out.

Administration: This represents the work that is involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder (and their managers). It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

Creditors: Claims of creditors - the office holder needs maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

Investigations: The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure and also in respect of matters such as misfeasance and wrongful trading. The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holder will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to creditors and approval for an increase in fees will be made as necessary. Such recovery actions will be for the benefit of the creditors and the office holder will provide an estimate of that benefit if an increase in fees is necessary. The office holder is aware that the following specific matters require to be investigated: further information is required regarding payments made from the Company's bank account following the winding up petition being issued. Evidence is also required regarding the Company's stock. The office holder is unable to quantify the benefit to creditors of these investigations at present but will include such information in their next statutory report to creditors once the position is clear.

After taking into account the nature and value of the assets involved and that this is a slightly complex, as highlighted above, we have concluded that a fixed fee of £15,000 is necessary to cover that work. We have also compared the proposed fixed fee with our past time records for undertaking the work in respect of cases of a similar size and complexity and taken that into account when determining the level of the fixed fee sought, and as a result we believe that this demonstrates why the fixed fee is expected to produce a fair and reasonable reflection of the work that we anticipate will be necessarily and properly undertaken. Full information about the work that we will undertake for the fixed fee is contained in Appendix 1.

Percentage basis:

There are certain tasks that we only have to carry out where there are assets to recover. They may produce a direct benefit for creditors, but are subject to the costs of the proceedings generally. We undertake the work to protect and then realise the assets, initially at our own cost, suffering the loss if any asset is not realisable. If assets are recovered, we firstly recover our costs and then distribute any balance. We are seeking to recover a percentage of the assets that we realise in order to remunerate

us for the work that we undertake in respect of realising them. The percentage we propose to charge will also share the anticipated benefit with the creditors. We are seeking to recover the following percentages:

Nature of asset	Percentage being sought %
Cash at Bank	15%
Post petition payments	15%
Stock	15%

Based on the assets of the Company being realised for the amounts as estimated above, then our remuneration based on a percentage of such realisations would be £597.

We think the percentage we are seeking approval for reflects the number of creditors involved and the complexity of the Liquidation, as highlighted above. We have also compared the proposed percentage for which approval is being sought with the statutory scale for such work and taken that into account when determining the percentage being sought. We believe that this demonstrates why the percentage proposed is expected to produce a fair and reasonable reflection of the work that we anticipate will be necessarily and properly undertaken.

Full information about the work that we will undertake as a percentage of realisations is contained in Appendix C.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, together with an explanatory note which shows Larking Gowen LLP's fee policy are available at the link <https://www.larking-gowen.co.uk/what-we-offer/by-service/insolvency-recovery/>. Please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2017 version.

To comply with the Provision of Services Regulations, some general information about Larking Gowen LLP, including about our complaints policy and Professional Indemnity Insurance, can be found in the attached Index.

Larking Gowen LLP uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how Larking Gowen LLP uses your personal information on our website at <https://www.larking-gowen.co.uk/>.

LIQUIDATORS' EXPENSES

We have incurred expenses to date of £117, none of which we have been able to draw.

A breakdown of the category 1 expenses incurred in the period since our appointment as Joint Liquidators are as follows:

Type of expense	Amount incurred/ accrued in the reporting period (£)
Land Registry Fees	3
Postage	9
Specific Bond	20
Statutory Advertising	76
TOTAL	108

A breakdown of our category 2 disbursements incurred in the period since our appointment as Joint Liquidators are as follows:

Type of category 2 disbursement	Amount incurred/ accrued in the reporting period (£)
Photocopying	9
TOTAL	9

We have not instructed any professional advisors in the reporting period.

We anticipate that expenses totalling £149 (not including potential legal fees) will arise in these proceedings, as detailed in Appendix D. Expenses do not have to be approved, but when reporting to any committee and the creditors during the Liquidation the actual expenses incurred will be compared with the original estimate provided and we will explain any material differences (for example, where legal costs rise due to escalated recovery action).

FURTHER INFORMATION

An unsecured creditor may, with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Liquidators' remuneration and expenses within 21 days of their receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidators as being excessive, and/or the basis of the Liquidators' remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Larking Gowen LLP can be found in the attached summary sheet.

SUMMARY

The Liquidation will remain open until the investigation matters have been fully resolved. Due to the nature of our investigations we are unable to estimate the length of time until the Liquidation will be finalised and our files will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Simone Daly by email at Simone.Daly@larking-gowen.co.uk, or by phone on 01473 833411.


Andrew Kelsall
Joint Liquidator

Appendix A

The following work has been carried out during the first year of the Liquidation, which provides no financial benefit to creditors:

Administration

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up electronic case files.
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Convening and holding a decision procedure to approve the officeholder's remuneration.
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing an annual progress report to creditors and members.
- Filing returns at Companies House.

Creditors

- Maintaining up to date creditor information on the case management system.

**Venise Limited
(In Liquidation)**

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 06/11/2018 To 05/11/2019 (£)	From 06/11/2019 To 18/12/2019 (£)	Total (£)
Cash at Bank		3,980.57	0.00	3,980.57
		3,980.57	0.00	3,980.57
PAYMENTS				
O.R Debit Balance		9,417.77	0.00	9,417.77
ISA Quarterly Charges		88.00	0.00	88.00
Shorthand Transcription Fee		48.02	0.00	48.02
		9,553.79	0.00	9,553.79
Net Receipts/(Payments)		(5,573.22)	0.00	(5,573.22)
MADE UP AS FOLLOWS				
Insolvency Services Account		(5,573.22)	0.00	(5,573.22)
		(5,573.22)	0.00	(5,573.22)

Appendix C:

Details of work to be undertaken in the Liquidation to which I am seeking fee approval

A. Work for which the Liquidator is seeking to be remunerated on a fixed fee basis:

Administration:

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up electronic case files.
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and others required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).
- Convening and holding decision procedures and meetings of members (as applicable).
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing annual progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT reclaims.
- Preparing and filing Corporation Tax returns.
- Seeking closure clearance from HMRC and other relevant parties.
- Preparing, reviewing and issuing final reports to creditors and members.
- Preparing the final account.
- Filing final returns at Companies House.

Creditors:

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.

Investigations:

- Attempting to recover the books and records for the case.
- Listing the books and records recovered.
- Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountant, Official Receiver, former CVA Supervisor, etc.
- Reviewing bank statements to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors.

B. Work for which the Liquidator is seeking to be remunerated on a percentage basis:

Realisation of assets:

- Liaising with the bank regarding the credit balance and closure of the account.
- Liaising with the Director, Official Receiver and former CVA Supervisor to obtain information regarding the Company's stock.
- Seeking further information regarding the identity of whom post-petition payments have been made.
- Seeking further information regarding the nature of post-petition payments made.
- Liaising and seeking advice and instructing solicitors to pursue post-petition payments.

Appendix D

Estimate of expenses to be incurred in the Liquidation

Type of expense	Estimated Amount £
Bonding - this is insurance required by statute that every officeholder has to obtain for the protection of each estate, with the premium being based on the value of the company's assets	20
Gazetting – various notices relating to the company have to be placed in the London Gazette	76
Postage	25
Copying	25
Land Registry Fees	3
Solicitors – Depending on the outcome of our investigations, we may need to instruct solicitors to pursue post-petition payments made by the Company. We are unable to estimate the potential fees until further information has been obtained.	Unknown
Total estimated known expenses	149

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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 **Andrew Anderson Kelsall**

Company name **Larking Gowen LLP**

Address
King Street House
15 Upper King Street

Post town **Norwich**

County/Region

Postcode **N R 3 1 R B**

Country

DX

Telephone
01603 624181



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