

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

SATURDAY



A26 \*A71F3ZHC\* 10/03/2018 #301  
COMPANIES HOUSE

### 1 Company details

Company number 0 4 4 6 8 0 2 0

Company name in full Soul On Sole Limited t/a The Lemon Rooms

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Michael

Surname Finch

### 3 Liquidator's address

Building name/number Suite 17, Building 6

Street Croxley Park

Post town Hatters Lane

County/Region Watford

Postcode W D 1 8 8 Y H

Country

### 4 Liquidator's name ●

Full forename(s)

Surname

#### ● Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ●

Building name/number

Street

Post town

County/Region

Postcode


Country

#### ● Other liquidator

Use this section to tell us about  
another liquidator.

# LIQ03

## Notice of progress report in voluntary winding up

<b>6</b>	<b>Period of progress report</b>															
From date	d	1	d	6	m	0	m	1	y	2	y	0	y	1	y	7
To date	d	1	d	5	m	0	m	1	y	2	y	0	y	1	y	8
<b>7</b>	<b>Progress report</b>															
<input checked="" type="checkbox"/> The progress report is attached																
<b>8</b>	<b>Sign and date</b>															
Liquidator's signature	Signature 															
Signature date	d	0	d	9	m	0	m	3	y	2	y	0	y	1	y	8

# 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	Lorraine Humphreys
Company name	Moore Stephens LLP
Address	Suite 17, Building 6
	Croxley Park
Post town	Hatters Lane
County/Region	Watford
Postcode	W D 1 8 8 Y H
Country	
DX	
Telephone	+44 (0)1923 236622



### 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

**Soul On Sole Limited t/a The Lemon Rooms**  
**(In Liquidation)**  
**Liquidator's Summary of Receipts & Payments**

Statement of Affairs £		From 16/01/2017 To 15/01/2018 £	From 16/01/2017 To 15/01/2018 £
	<b>ASSET REALISATIONS</b>		
10,000.00	Goodwill	NIL	NIL
	Third party contribution	2,000.00	2,000.00
2,500.00	Plant & equipment	NIL	NIL
Uncertain	Stock	NIL	NIL
25,000.00	Directors loan account	NIL	NIL
		<u>2,000.00</u>	<u>2,000.00</u>
	<b>OTHER REALISATIONS</b>		
	Interest gross of tax	1.31	1.31
		<u>1.31</u>	<u>1.31</u>
	<b>COSTS OF ADMINISTRATION</b>		
	Insurance	220.00	220.00
	Postage	61.68	61.68
	Statutory advertising	315.50	315.50
	Specific penalty bond	75.00	75.00
		<u>(672.18)</u>	<u>(672.18)</u>
	<b>PREFERENTIAL CREDITORS</b>		
(2,995.00)	Employees - wage arrears	NIL	NIL
(2,378.00)	Employees - holiday pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>UNSECURED CREDITORS</b>		
(24,214.00)	Creditors - trade & expense	NIL	NIL
(200.00)	Employees - wage arrears	NIL	NIL
(6,593.00)	Employees - pay in lieu of notice	NIL	NIL
(1,519.00)	Employees - redundancy	NIL	NIL
(26,360.00)	Banks/institutions	NIL	NIL
(6,290.00)	HM Revenue & Customs - PAYE/NI	NIL	NIL
(10,410.00)	HM Revenue & Customs - VAT	NIL	NIL
(24,422.00)	Creditors - vouchers	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>CONTRIBUTORIES</b>		
(100.00)	Ordinary shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<b>(67,981.00)</b>		<b><u>1,329.13</u></b>	<b><u>1,329.13</u></b>
	<b>REPRESENTED BY</b>		
	VAT receivable		90.44
	Bank - current a/c		1,238.69
			<u><b>1,329.13</b></u>



Michael Finch  
Liquidator

Strictly Private & Confidential

# SOUL ON SOLE LIMITED T/A THE LEMON ROOMS ("THE COMPANY")

Progress report to the members and creditors for the  
period 16 January 2017 to 15 January 2018

9 March 2018

# Contents

1. Statutory information
2. Progress to date
3. Investigations
4. Liquidator's remuneration
5. Liquidator's expenses
6. Creditors' rights
7. Liabilities

## Appendices

- Appendix I    Receipts and payments account
- Appendix II    Examples of work undertaken in a liquidation
- Appendix III    Schedule of expenses incurred

This report is intended for use by those parties entitled to a copy thereof under the Insolvency (England and Wales) Rules 2016. It may contain information that is privileged, confidential or exempt from disclosure and any dissemination, distribution or copying of it and its attachments is strictly prohibited. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

Any estimated outcomes for creditors are for illustration only and cannot be relied upon as guidance as to the actual outcome for creditors.

Michael Finch is authorised in the UK to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales. All of our work is conducted in accordance with the Insolvency Code of Ethics.

# 1. Statutory information

Company name:	Soul On Sole Limited t/a The Lemon Rooms
Company number:	04468020
Registered office:	Suite 17, Building 6 Croxley Park Hatters Lane Watford WD18 8YH
Date of appointment:	16 January 2017
Liquidator:	Michael Finch
Liquidator's address:	Moore Stephens LLP Suite 17, Building 6 Croxley Park Hatters Lane Watford WD18 8YH

## 2. Progress to date

- 2.1. The receipts and payments account attached in Appendix I details the asset realisations during the period of this report.
- 2.2. The Company's statement of affairs showed goodwill with an estimated to realise value of £10,000. This value was attributed to the use of the location, customer base, website, lines of communication and the trading style, 'The Lemon Rooms'.
- 2.3. At the time of my appointment, there were ongoing discussions between my agent, Richard Birch & Co ("Richard Birch"), and a former employee of the Company with regard to purchasing some of the Company's assets including the goodwill. Unfortunately the expected sale was not successful and despite Richard Birch making numerous enquiries with other interested parties, no sale of the goodwill was completed. There will be no realisations in this regard.
- 2.4. A third party contribution of £2,000 has been received towards the costs of the liquidation.
- 2.5. The plant and equipment included vanity units with sinks, chiropodist equipment, a steriliser and furniture. The statement of affairs indicated an estimated to realise value of £2,500, however my agent had to sell the items on a piecemeal basis which resulted in lower realisations. The sum of £1,700 has been received from my agent after the current reporting period.
- 2.6. It was uncertain as to whether any of the Company's stock would be available for sale after potential retention of title claims. In this regard, £360 has been received from my agent after the end of the current reporting period.
- 2.7. The Company's statement of affairs detailed an outstanding directors loan account from Mrs Hunt with a book value of c.£38,000. At the time of liquidation, Mrs Hunt advised that the figure was incorrect. Since my appointment there have been on-going discussions with Mrs

Hunt with regards to establishing the true figure of her loan account which we now believe stands at c£22,000 following a credit of £16,000 relating to a payment made personally to the landlord. An agreement has now been reached, subject to receiving supporting documentation, whereby Mrs Hunt will repay the sum of £20,000, in full and final settlement of the indebtedness.

- 2.8. The sum of £10,000 has recently been received, after the end of this reporting period, with a further £10,000 to follow after the completion of the sale of Mrs Hunt's property, estimated to take place in May 2018.
- 2.9. Following appointment an initial investigation was undertaken into the affairs of the Company. It would not appear that there are any further matters which require additional investigation at this time.

### 3. Investigations

- 3.1. An appropriate submission on the actions of the directors has been forwarded to the Disqualification Unit of the Department for Business, Energy & Industrial Strategy in accordance with the liquidator's statutory duties. Please note that the content of this submission is of a confidential nature and so cannot be disclosed to third parties by myself.

### 4. Liquidator's remuneration

- 4.1. The pre appointment fee was fixed at £5,000 plus VAT and disbursements as follows:

Preparation of statement of affairs in statutory form by Moore Stephens LLP	£2,500
Summoning, advertising and holding of creditors' meeting by Moore Stephens LLP	£2,500
<b>Total</b>	<b>£5,000</b>

- 4.2. As shown on the receipts and payments account, the sum of £2,000 has been received from a third party towards these costs but is yet to be drawn.

- 4.3. The remuneration of the liquidator has been fixed by creditors as follows:

- A fixed fee of £15,000 in relation to statutory compliance, administration and planning in accordance with Rule 4.127(2)(c) of The Insolvency Rules 1986;
- 25% of the realisation of assets, net of any mortgage, fixed charge or hire purchase and gross of selling costs, excluding any realisations recovered as a result of investigations, in accordance with Rule 4.127(2)(a) of The Insolvency Rules 1986,
- 50% of the realisations recovered as a result of investigations, gross of legal fees and expenses, conducted in accordance with Rule 4.127(2)(a) of The Insolvency Rules 1986; and
- 12.5% of the total value of assets distributed to creditors in accordance with Rule 4.127(2)(a) of The Insolvency Rules 1986.



- 4.4. Examples of work which may be undertaken in a liquidation is attached at Appendix II.
- 4.5. Time has been spent liaising with our agent in relation to the sale of the Company's assets and having discussions with the director regarding her outstanding loan account as detailed above in Section 2. There has also been telephone calls, correspondence and queries from the Company's creditors and former employees.
- 4.6. In addition we have dealt with all statutory matters and administrative work in relation to the liquidation and either required by legislation or necessary to perform the basic duties of a liquidator.
- 4.7. During the current reporting period there have been no asset realisations, however we are entitled to the fixed fee.
- 4.8. To date, no remuneration has been drawn.
- 4.9. Should you wish to receive a copy of "A Creditors' Guide to Liquidators' Fees" this is available on the Moore Stephens website <http://www.moorestephens.co.uk/corporaterecovery.aspx> or by requesting a copy from this office in writing or by telephone.

## 5. Liquidator's expenses

- 5.1. A schedule of all expenses incurred in the period has been detailed in Appendix III.
- 5.2. The sum of £1,106 plus VAT has been paid to Richard Birch since the end of the current reporting period. This consisted of £750 plus VAT for the Company asset valuations, £206 plus VAT in respect of 10% commission of asset sales and a further £150 for collections.

## 6. Creditors' rights

- 6.1. Within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question) or any unsecured creditor with the permission of the court may request in writing that the liquidator provide further information about his remuneration or expenses which have been itemised in the progress report.
- 6.2. Within 14 days of receipt of the request, the liquidator must provide all of the information asked for, except so far as he considers that:
- the time or cost of preparation of the information would be excessive, or
  - disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
  - he subject to an obligation of confidentiality in respect of the information.

The liquidator is also required to give reasons for not providing all of the requested information.

- 6.3. 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 the basis fixed for the liquidator's remuneration, the

remuneration charged, or the expenses incurred by the liquidator as set out in the progress report are excessive.

## 7. Liabilities

### *Secured creditors*

- 7.1. There are no secured creditors.

### *Preferential creditors*

- 7.2. The statement of affairs estimated the preferential creditors' claims to total £5,373, consisting of unpaid wages of £2,995 and outstanding holiday pay of £2,378. I am yet to receive a claim from the Department of Business, Energy and Industrial Strategy ("DBEIS") Redundancy Payments Service.
- 7.3. At this stage, it is uncertain as to whether a dividend will become available to the preferential creditors. It will be dependent on further asset realisations.

### *Unsecured creditors*

- 7.4. The Company's statement of affairs estimated unsecured creditor claims to be approximately £100,008. To date, claims amounting to £100,794 have been received.
- 7.5. At this stage, there is no prospect of a dividend becoming available to the unsecured creditors.

Michael Finch  
Liquidator

## Liquidator's receipts and payments account

## Soul On Sole Limited t/a The Lemon Rooms (In Liquidation)

	Statement of affairs £	From 16/01/2017 To 15/01/2018 £	From 16/01/2017 To 15/01/2018 £
<b>RECEIPTS</b>			
Goodwill	10,000.00	0.00	0.00
Third party contribution		2,000.00	2,000.00
Plant & equipment	2,500.00	0.00	0.00
Stock	Uncertain	0.00	0.00
Directors loan account	25,000.00	0.00	0.00
Interest gross of tax		1.31	1.31
		<u>2,001.31</u>	<u>2,001.31</u>
<b>PAYMENTS</b>			
Insurance		220.00	220.00
Postage		61.68	61.68
Statutory advertising		315.50	315.50
Specific penalty bond		75.00	75.00
		<u>672.18</u>	<u>672.18</u>
Net Receipts/(Payments)		<u>1,329.13</u>	<u>1,329.13</u>
<b>MADE UP AS FOLLOWS</b>			
VAT receivable			90.44
Bank - current a/c			1,238.69
			<u>1,329.13</u>

## **Appendix II - Examples of work undertaken in a liquidation**

### **Soul On Sole Limited t/a The Lemon Rooms (In Creditors' Voluntary Liquidation)**

---

Examples of the work which may be undertaken, but which is not limited to, include:

#### *Statutory compliance, administration and planning*

- Setting up and maintenance of internal hard copy files and case file on the Insolvency Practitioners System (IPS)
- Data input including basic details of case, assets, creditor names and addresses and employee names and addresses
- Obtaining specific penalty bond
- Setting up of liquidation bank account including inputting details on the IPS system
- Preparation and filing (with the Registrar of Companies) of various statutory forms including statement of affairs, change of registered office form, notice of appointment and the resolution to wind up
- Advertisement of notice of appointment, resolution to wind up and the notice to creditors to claim in The Gazette
- Notification to the Registrar of Companies of the formation of a liquidation committee (if applicable)
- Convening and holding meetings of members and creditors
- Holding meetings and reporting to the liquidation committee (if applicable)
- Letters to directors regarding the provisions of sections 216 and 217 of Insolvency Act 1986, enclosing directors questionnaires
- Obtaining approval for the basis of fees from creditors
- Initial notification to HM Revenue & Customs
- Enquiries as to any pension schemes and the auto-enrolment staging dates and subsequent notification of appointment (if applicable)
- Preparation and filing (with the Registrar of Companies, Land Registry and all persons claiming an interest in the property) of notices of disclaimer in relation to leasehold premises
- Preparation and distribution of progress reports to members and creditors
- Preparation and submission of statutory receipts and payments accounts
- General administration of case including case planning and strategy
- Completion of internal reviews including asset realisation review, 6 month review and annual reviews
- Collection, preservation and review of the Company's book and records
- Review of the Company's redirected post
- Completion of the internal investigation checklist
- Written and verbal communications with the unsecured creditors
- Written and verbal communication with employees
- Dealing with lease and hire purchase creditors in conjunction with our agents
- Liaising with the Company's former professional advisors and bankers
- Review work pursuant to the Statement of Insolvency Practice 2
- Review of creditor questionnaires and other information received in relation to the affairs of the Company
- Review of director questionnaires
- Preparation of liquidators' submission on the actions of the directors to the disqualification unit of the Department for Business, Energy & Industrial Strategy
- Correspondence with compliance department in respect of on-going case issues/matters.
- Complying with money laundering regulations

## **Appendix II continued**

- Completing bill requisitions and raising invoices against time incurred in respect of work carried out and outlays incurred
- Reconciliation of post appointment bank accounts to the liquidation records
- Maintaining time-costs and disbursement schedules on firm's PMS system (including timesheet entries)
- Dealing with pension issues
- Arrangement and review of insurance policies in relation to the Company's assets
- Preparation and submission of corporation tax returns
- Preparation and submission of VAT returns
- Chargeable gains tax calculations
- Closure formalities.

### *Asset realisations*

- Identifying, securing and insuring the assets
- Instructing agents to value assets
- Liaising with agents regarding the realisation of assets
- Liaising with solicitors regarding the realisation of assets
- Liaising with secured creditors regarding the realisation of charged assets
- Liaising with pre-appointment bankers regarding the closure of the Company's bank accounts
- Dealing with retention of title claims in conjunction with our agents
- Written and verbal correspondence with debtors.
- Monitoring and collection of outstanding debtors, retentions and work in progress.
- Property, business and asset sales.
- Tax reclaims
- Review of interest rate hedging products

### *Investigations*

- Liaising with the Company's former professional advisors and bankers.
- Review work pursuant to the Statement of Insolvency Practice 2.
- Liaising with solicitors in relation to investigations
- Forensic accounting
- Review of Company's bank statements
- Further review of the Company's book and records
- Review of director/creditor questionnaires
- Land Registry and Companies House searches
- Consideration of legislation relating to, but not limited to, wrongful trading, fraudulent trading, antecedent transactions, preferences, transactions at undervalue.

### *Distributions to creditors*

- The processing and submission of the relevant forms to the Redundancy Payments Directorate.
- Processing of creditors' proof of debt forms and entering onto IPS system.
- Liaising with agents in relation to the agreement of creditor claims
- Liaising with solicitors in relation to contentious proof of debt forms
- Agreement of creditors' claims (including employees and other preferential creditors)
- Calculation and payment of dividends

## **Appendix II continued**

- Preparation of distribution paperwork including the notice of declaration.

### Appendix III - Breakdown of expenses

#### Soul On Sole Limited t/a The Lemon Rooms (In Creditors' Voluntary Liquidation)

For the period of: 16/01/2017 to 15/01/2018:

Cost description	Cost incurred £	Cost drawn £
Insurance	220.00	220.00
Postage	61.68	61.68
Statutory advertising	315.50	315.50
Specific penalty bond	75.00	75.00
Total	672.18	672.18
Total undrawn costs carried forward		Nil