

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 9 0 4 4 3 7

Company name in full 06 Zoo Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Michael

Surname Pallott

3 Liquidator's address

Building name/number Tower Bridge House

Street St Katharine's Way

Post town London

County/Region

Postcode E 1 W 1 D D

Country

4 Liquidator's name ①

Full forename(s) Neil John

Surname Mather

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Tower Bridge House

Street St Katharine's Way

Post town London

County/Region

Postcode E 1 W 1 D D

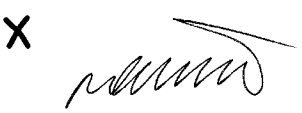
Country

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	2	m	1	m	2	y	2	y	0	y	2	y	0
To date	d	1	d	2	m	1	m	2	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	<div>Signature</div> <div>  </div>															
Signature date	d	1	d	1	m	0	m	2	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 **Hannah Milton**

Company name **Mazars LLP**

Address **Tower Bridge House**

St Katharine's Way

Post town **London**

County/Region

Postcode **E 1 W 1 D D**

Country

DX

Telephone **020 7063 4000**

**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

06 Zoo Ltd t/a Zu Printing Plus - In Liquidation

Liquidators' progress report covering the period from 12 December 2020 to 11 December 2021

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1. **Introduction**

- 1.1. This report is prepared pursuant to Rules 18.3 and 18.7 of the Insolvency (England and Wales) Rules 2016, the purpose of which is to provide creditors with details of the progress of the Liquidation during the 12 months to 11 December 2021.
- 1.2. I was appointed as Joint Liquidator of the Company, together with Mr N J Mather, at a meeting of creditors held on 12 December 2019. We are both authorised to act as an Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales.
- 1.3. Identification details relating to the Company and the Liquidators are attached at Appendix A.

2. **Liquidators' Receipts and Payments**

- 2.1. A summary of receipts and payments covering the period from 12 December 2020 to 11 December 2021 is attached at Appendix B. The receipts and payments account also covers the cumulative period from the date of appointment to 11 December 2021.
- 2.2. The receipts and payments account confirms that there is currently a balance in hand of £116.90.
- 2.3. An explanation of the assets realised, and the expenses paid is provided below.

3. **Asset Realisations and Details of Progress**

Connected Party Transactions:

- 3.1. In accordance with Statement of Insolvency Practice 13, I would advise you that there have been no transactions with connected parties.

Unconnected Party Transactions:

- 3.2. **Cash at bank**
- 3.3. During the reporting period the sum of £36.25 was received in relation to a balance in the Company's former NatWest bank account.

4. **Assets still to be realised**

- 4.1. Assets still to be realised comprise:

4.2. **Fixtures and fittings**

4.2.1. The Statement of Affairs included fixtures and fittings with a book value of £6,805 and an uncertain estimated realisable value.

4.2.2. It was understood that these assets had been sold to a third party prior to the Liquidation. Enquires were made during the period and advice was provided that the sum of £6,000 was deposited to the Company's current account in respect of the sale, shortly prior to liquidation. Checks have been made and the funds have been identified on the bank statements. There is a small discrepancy with the amount stated on the Statement of Affairs, but in light on the minimal value, it would be uneconomical to pursue this matter further.

4.3. **Directors Loan Accounts ("DLA")**

4.3.1. As previously explained, the Statement of Affairs stated that DLAs were outstanding in the amounts of £1,478,504.71 from Alan Lamont and £690,439.36 from Adrian Crane, both with uncertain estimated to realise values. Both loans arose out of the Company's participation in tax schemes and further loans were also identified from the Company's accounting records.

4.3.2. Attempts to recover the DLAs are set out for each of the directors below.

4.4. **Alan Lamont**

4.4.1. Alan Lamont was adjudged bankrupt on 28 February 2020 and a claim of £721,645.17 was lodged in Mr Lamont's bankruptcy. The Trustees in bankruptcy have advised that there will be no dividend payable.

4.5. **Adrian Crane**

4.5.1. Adrian Crane was adjudged bankrupt on 11 January 2021 following a petition being presented by the Joint Liquidators in the sum of £127,964.64. The sum petitioned for was less than what was stated on the Statement of Affairs as this sum represented the amounts due under one of the tax schemes that had crystallised upon liquidation, together with a smaller loan identified from the Company's account records.

4.5.2. An increased claim of £724,286.65 was subsequently lodged in Mr Crane's bankruptcy representing the liability due under all of the tax schemes combined, as per the Statement of Affairs, as well as the smaller loan identified. The Trustees are currently taking legal advice as to whether the increased claim should be accepted and it is understood that a decision should be made shortly.

4.5.3. The Trustees have advised that based on current information they anticipate a dividend to unsecured creditors of approximately 11 pence in the pound, however, this will be dependent on future asset realisations and the agreement of creditors' claims.

4.6. **HM Revenue & Customs rebate**

4.6.1. Amendments to the Finance Act 2020 gave rise to a possibility of a rebate becoming due for sums already paid to HMRC in respect of the tax scheme settlement. Given the specialist nature of the potential claim, we instructed Mazars' in house tax specialist to make enquiries with HMRC.

4.6.2. An update was received from HMRC to advise that the rebate claim would not succeed. Further checks were made of the records we hold, but nothing was identified to overturn

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HMRC's decision on the rebate. With little prospect of a recovery, it has been deemed uneconomical to pursue this matter further, and as such, no further action will be taken.

5. Liabilities

5.1. Secured Creditors

5.1.1. There are no secured creditors in this case.

5.2. Preferential Creditors

5.2.1. There are no preferential creditors in this case.

5.3. Unsecured Creditors

5.3.1. According to the directors' Statement of Affairs, the Company had 6 unsecured creditors with debts totalling £2,216,549.37. Claims received to date total £353,461.04. from 2 creditors. No other claims have yet been received.

5.3.2. An Estimated Outcome Statement Section has not been included in this report as we are currently unable to estimate the potential dividend distribution to unsecured creditors due to uncertain recovery prospects.

6. Prescribed Part

6.1. In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being 50% of the first £10,000 of net property and 20% of net property thereafter, subject to a maximum fund of £600,000. Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims.

6.2. As there is no floating charge, the Prescribed Part does not apply in this instance.

7. Investigations

7.1. In accordance with the Company Directors Disqualification Act 1986, the Joint Liquidators are required to investigate the affairs of the Company and the conduct of the directors during the three years prior to the Liquidation. The Joint Liquidators can confirm that this obligation has been complied with and a confidential report was submitted to the Insolvency Service on 10 March 2020.

7.2. An initial investigation into the Company's affairs has also been undertaken by the Liquidators in accordance with Statement of Insolvency Practice 2. The purpose of these investigations is to establish whether there are any potential asset recoveries or conduct which requires further investigation.

- 7.3. As discussed in Section 4 of this report, our investigations revealed additional directors' loan accounts which are being pursued in their respective bankruptcies. No other matters were identified which may lead to a recovery to the estate.
- 7.4. Should creditors have any information which they consider may assist the Liquidators in carrying out their investigations or be aware of any matters which they believe should be brought to the attention of the Liquidators, please provide details in writing to this office. This request for information forms part of our usual investigation procedures and does not imply that there may be any cause of action lying against any person concerned in the Company's affairs.

8. Liquidators' Remuneration

- 8.1. On 8 March 2021, a decision was made by the creditors following a decision procedure by correspondence, enabling the Joint Liquidators to draw remuneration on the basis of a fixed fee in the sum of £80,000, plus VAT.
- 8.2. During the period to 11 December 2021 the Joint Liquidators have not drawn any remuneration against the agreed fixed fee. Details of the work carried out during the current reporting period is attached in the narrative summary at Appendix D.
- 8.3. The basis of our remuneration as a set amount is fair and reasonable for the following reasons:
- a) It provides certainty to creditors over the sum to be charged;
 - b) It reduces the administrative burden to provide detailed time recording information to creditors;
 - c) It represents a fair and reasonable reflection of the work anticipated will be undertaken by the Liquidators when compared to cases of a similar size and complexity. The actual time costs incurred to date total £88,488, representing 319.5 hours at a blended hourly rate of £276.96.

9. Liquidators' Expenses

- 9.1. Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements. Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.
- 9.2. Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).
- 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. Category 1 expenses can be paid without prior approval.
 - Category 2 expenses: These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

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9.3. Details of all expenses incurred during the period of the report and likely future expenses are provided in the Expenses Statement attached at Appendix D, together with an explanation as to why the expenses have been or will be incurred. This also includes details of the Liquidators' previous Expenses Estimate, for comparison purposes.

9.4. Further details of expenses paid during the period of the report are shown in the receipts and payments account at Appendix B.

9.5. I have reviewed the expenses incurred to date and I am satisfied that they are fair and reasonable and proportionate in the circumstances of the case.

9.6. **Category 2 Expenses**

9.6.1. As noted above, Category 2 Expenses require approval in the same manner as an office holder's remuneration before being paid.

9.6.2. There have been no Category 2 expenses incurred or paid during the current reporting period.

10. **Matters outstanding**

10.1. Updates are still awaited from the Trustees in Bankruptcy of Mr Crane regarding any potential dividends. Creditors will be updated when the position becomes clear.

11. **Creditors' Rights**

11.1. **Further information**

11.1.1. I would advise you that, pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the Court, may, within 21 days of receipt of this progress report, ask the Liquidators for further information about the remuneration and expenses set out in this progress report.

11.2. **Apply to Court**

11.2.1. Additionally, pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the Court may, within 8 weeks of the receipt of this progress report, apply to the Court on one or more of the following grounds:

- a. That the remuneration charged by the Liquidators, or
 - b. That the basis fixed for the Liquidators' remuneration, or
 - c. That the expenses incurred by the Liquidators,
- is, in all of the circumstances, excessive or inappropriate.


11.3. **Further guidance**

11.3.1. In accordance with Statement of Insolvency Practice 9, creditors can find additional information on their rights relating to Liquidators' fees in a copy of the publication "A creditors guide to Liquidators' fees" which is available to download from the

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website: <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/guide-to-liquidators-fees/> or, alternatively, will be provided free of charge upon written request to this office.

- 11.3.2. For further general information regarding a creditor's role throughout an insolvency process, creditors are reminded that they can also visit <http://www.creditorinsolvencyguide.co.uk>.



M Pallott
Joint Liquidator

Dated 11 February 2022

Authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales and bound by the Insolvency Code of Ethics. Where personal data is required to be processed, this will be dealt with in accordance with the Mazars LLP Insolvency Services Privacy Statement which can be accessed at: www.mazars.co.uk/Legal-and-privacy.

06 ZOO LIMITED (IN LIQUIDATION)

APPENDICES INDEX

Appendix

A	Identification Details
B	Receipts and Payments Account
C	Expenses Statement
D	Narrative Summary of work undertaken for the current period

06 Zoo Ltd t/a Zu Printing Plus - In Liquidation

Identification Details

Details relating to the Company

Company name	06 Zoo Ltd t/a Zu Printing Plus
Previous names	N/A
Trading name	t/a Zu Printing Plus
Company number	05904437
Registered office	Mazars LLP, Tower Bridge House, St Katharine's Way, London, E1W 1DD
Trading address	150 Upper New Walk, Leicester, LE1 7QA

Details relating to the Liquidators

Date of appointment	12 December 2019
Liquidators	M Pallott and N J Mather
	IP No(s) 023650 and 008747
Liquidators' address	Mazars LLP, Tower Bridge House, St Katharine's Way, London, E1W 1DD
Liquidators' contact telephone number	020 7063 4000

06 ZOO LIMITED (IN LIQUIDATION)
JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of Affairs (£)	12/12/2020 to 11/12/2021	12/12/19 to 11/12/21
RECEIPTS			
Fixture & Fittings	Uncertain	-	-
Motor Vehicles	NIL	-	-
Cash at Bank	-	36.25	115.73
Rates Refund	-	-	173.02
Bank Interest Gross	-	-	0.06
Directors' Loan Account - AL	Uncertain	-	-
Directors' Loan Account - AC	Uncertain	-	-
Ordinary Shareholders	102.00	-	-
	102.00	36.25	288.81
PAYMENTS			
Agents Fees	-	-	43.26
Legal disbursements	-	100.00	100.00
Employees Arrears/ Holiday Pay	1,600.00	-	-
Trade & Expense Creditors	350,003.20	-	-
Directors	54,889.25	-	-
HMRC re VAT	8,276.46	-	-
HMRC re PAYE & NI	11,114.51	-	-
HMRC re Corporation Tax	152,731.69	-	-
HMRC re Tax Schemes	1,694,423.51	-	-
	2,273,038.62	100.00	143.26
NET RECEIPTS			145.55
<i>Made up as follows</i>			
Floating charge current			116.90
VAT receivable/(payable)			28.65
			145.55

06 ZOO LIMITED (IN LIQUIDATION)
EXPENSES STATEMENT

Type of Expenditure	Requirement for Expenditure	Incurred in previous period (£)	Incurred in current period (£)	Likely future expenses (£)	Expenses estimate (£)
Category 1 Expenses					
Professional advisors' costs					
Legal fees and disbursements	Pinsent Masons LLP have been instructed to assist in the investigations the potential claims against the former directors. They are instructed on a 'subject to recoveries' basis. Their time costs for the reporting period are £7,403.50 and their disbursements are £24.02. This firm of lawyers was chosen based on their experience in insolvency matters.	27,131.97	7,427.52	Uncertain	34,559.49
Agent's fees and disbursements	CAPA were instructed to recover any potential business rates refunds. They were instructed because of their experience in providing such services.	51.91	-	-	51.91
Other expenses					
Statutory Advertising	Costs are paid to Courts Advertising for statutory advertising requirements including London Gazette advertisements for notice of the appointment of the Liquidators'.	240.00	-	-	240.00
Specific bond	It is a legal requirement that I take out a specific bond in respect of the value of the assets. On the basis the assets recovered are currently uncertain the bond paid to JLT Specialty Limited was £10 per appointment taker.	20.00	-	-	20.00
Total Category 1 Expenses		27,443.88	7,427.52	-	34,871.40
Mazars LLP Remuneration					
Joint Liquidators' remuneration	To project manage the orderly winding up of the Company's affairs, and to perform those tasks required as dictated by statute, best practice and ethical requirements.			80,000.00	80,000.00
Total Mazars LLP Remuneration		-	-	80,000.00	80,000.00
Total		27,443.88	7,427.52	80,000.00	114,871.40

Notes**1. Professional advisors**

The office holder's choice of the professional advisors listed above was based on their perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.

The office holders have reviewed the costs incurred to date and are satisfied that they are reasonable in the circumstances of the case.

2. Category 2 Expenses

The office holders have reviewed the expenses which have been or are likely to be incurred in this matter and do not consider that there are any instances where payments could reasonably be perceived as presenting a threat to the office holders' objectivity or independence by virtue of a professional or personal relationship, including to an associate, and which require approval as a Category 2 Expense, other than those listed above.

06 ZOO LIMITED (IN LIQUIDATION)
NARRATIVE SUMMARY OF WORK UNDERTAKEN

Introduction

The summary provides a proportionate overview of the work carried out in light of the specific circumstances of the case and includes details of the work that has been done during the period, why it was done and whether the work provides a financial benefit to creditors.

The majority of this work derived no financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes aid to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.

Work carried out in the current period

Administration and planning

The following work has been undertaken:

- Periodic case reviews
- Further strategy meetings
- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system.

Further work to be undertaken:

- Case reviews
- Further strategy meetings
- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system.

Taxation

The following activities were undertaken in order to ensure the Company is compliant with tax requirements:

- Preparation of any post-Liquidation Corporation Tax and VAT returns that are required.
- VAT de-registration completed and submitted to HMRC.

Further work to be undertaken:

- Writing to HMRC to advise when the liquidation is ready to proceed to closure.

Investigations

Further details of the investigation required to be carried out is provided within Section 4 and 7 of the report.

A summary of the work undertaken to date is as follows:

- Enquiries with HMRC in relation to EBT scheme rebate.
- Investigation of third-party transactions.
- Extensive correspondence with Trustees of the directors' bankruptcies.
- Extensive correspondence with Pinsent Mason regarding potential recoveries

Further work to be undertaken:

- Correspondence with Trustees of the directors' bankruptcies in relation to claims/dividends.
- Correspondence with Pinsent Masons regarding directors' bankruptcies as required.

Realisation of Assets

The work undertaken in respect of the realisation of the Company's assets is detailed in Section 4 of the report.

Work undertaken in the current reporting period:

- Communicating with a third party in relation to fixtures and fittings.

Further work to be undertaken:

- N/A

Creditors

06 ZOO LIMITED (IN LIQUIDATION)
NARRATIVE SUMMARY OF WORK UNDERTAKEN

The company had 6 unsecured creditors with debts totalling £2,216,549.37. In order to ensure that creditors are dealt with appropriately, the following work has been undertaken:

- Correspondence with creditors regarding their claims.

Reporting

Reporting requirements during the period as prescribed by statute have included the following:

- Annual progress report.
- Reporting on decision outcomes.

Further work to be undertaken:

- Annual progress report.
- Closure reporting.

Cashiering

Cashiering work undertaken and to be undertaken includes:

- Bank account maintenance, including periodic reconciliations.
- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.

Statutory and Compliance

The work undertaken and to be undertaken as required by statute and our internal procedures involves:

- Case monitoring and statutory compliance, including internal case reviews.

06 ZOO LIMITED (IN LIQUIDATION) RATES AND EXPENSES POLICY

Charge-out rates

Details of the current charge-out rates of the personnel working on this case are set out below:

	Partner	Director	Associate Director / Manager	Senior Executive / Executive	Cashier	Support staff
Current charge out rate per hour effective from 1 September 2020 - Range (£)	455 - 605	405 - 495	250 - 440	110 - 255	110 - 250	110 - 155

Charge-out rates are reviewed annually on 1 September and in common with other professional firms, may increase

Specialist departments within our Firm, (Tax and VAT) may charge a number of hours if and when their expert advice is required. The rate ranges above incorporate these different rates.

Expenses

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements.

Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.

Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

- **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. Category 1 expenses can be paid without prior approval.
- **Category 2 expenses:** These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner persons as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

It is proposed that the following Category 2 expenses incurred in administering the case be charged:

- Mileage will be charged at relevant HM Revenue & Customs prevailing rates, currently 45p per mile.

The Joint Liquidators reserve the right to increase the charges applicable to mileage in accordance with any increases in the prevailing rate set by HM Revenue & Customs. Any material amendments will be advised to creditors in the next statutory report.