

Notice to Registrar of Companies of
Supervisor's Progress Report

Pursuant to Rule 1 26A(4)(a) or
Rule 1.54 of the Insolvency Rules
1986

**R.1.26A(4)(a)/
R.1.54**

For Official Use

To the Registrar of Companies

Company number

06789572

Name of company

(a) Insert full name of
company

(a) Chocolatier de France Limited

Limited

(b) Insert full name and
address

I (b) Carolynn Jean Best
Insol House, 39 Station Road, Lutterworth, Leicestershire, LE17 4AP,
United Kingdom

supervisor of a voluntary arrangement taking effect on

(c) Insert date

(c) 08 December 2011

Attach my progress report for the period
from

(c) 08 December 2012

to

(c) 07 December 2012

Number of continuation sheets (if any) attached

Signed *CBest*

Date 30/01/2013

FRIDAY



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15/02/2013

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COMPANIES HOUSE

4 February 2013

**CHOCOLATIER DE FRANCE LIMITED T/A CHOCOLAT CHOCOLAT
IN COMPANY VOLUNTARY ARRANGEMENT**

**Report of the Joint Supervisors
In accordance with Rule 1.26 of the Insolvency Rules 1986**

Names of Joint Supervisors

**Carolynn Jean Best
Richard Frank Simms**

Date of appointment	8 December 2011
Period of Report	8 December 2011 to 7 December 2012

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1 INTRODUCTION

- 1 1 I refer to the Chairman's Report of the Meeting of Creditors and Members dated 8 December 2011 following my appointment as joint supervisor of the above company's voluntary arrangement at meetings of creditors and members held on 8 December 2011
- 1 2 Pursuant to Rule 1 26 of the Insolvency Rules 1986 I write to provide you with the supervisors report on the voluntary arrangement
- 1 3 Please find attached as Appendix 1 an up to date Receipts and Payments account Details of all amounts received and payments made are detailed in sections 3 and 6 of this report respectively

2 BACKGROUND

- 2 1 Carolynn Jean Best (nee Clark) and Richard Frank Simms were appointed Joint Supervisors of the company on 8 December 2011
- 2 2 The company's registered office is Second Floor, 2 Walsworth Road, Hitchin, Hertfordshire, SG4 9SP, United Kingdom
- 2 3 Creditors should note that the summary of the proposal incorporated in the Chairmans' Report circulated to creditors on 8 December 2011 detailed a number of incorrect statements A correct summary of the approved proposals and modifications are attached in Appendix 3 of this report

3. ASSET REALISATIONS

- 3 1 The proposal allowed for monthly contributions to the supervisor over four years to the sum of £40,800 This was apportioned as follows,
- | | |
|----------------|---------------|
| Months 1 – 6 | £500 p/m |
| Months 7 – 12 | £600 p/m |
| Months 13 – 18 | £700 p/m |
| Months 19 – 24 | £800 p/m |
| Months 25 – 30 | £900 p/m |
| Months 31 – 36 | £1,000 p/m |
| Months 37 – 42 | £1,100 p/m |
| Months 43 – 48 | £1,283 33 p/m |
- 3 2 The Company has made contributions within the first year of £7,775 00 This sum is in excess of the amount due as the Company has made weekly contributions of £200 00
- 3 3 All funds received into the estate are held on an interest bearing account with Barclays Bank plc During the period of this report interest received has totalled £1 58
- 3 4 The receipts and payments detailed in the statement attached at Appendix 1 are all shown net of VAT where applicable

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4 CREDITORS' CLAIMS

- 4 1 Unsecured creditors as at the date of the voluntary arrangement totalled £31,218. Proofs of debt for voting purposes received by 8 December 2011 totalled £12,298.85. The difference in the figures is caused by way of non-submission of proof of debts by a number of creditors.
- 4 2 The claim of £12,298.85 received relates to a HM Revenue & Customs provision claim in the arrangement. No final claim has been received to date from HM Revenue & Customs.
- 4 3 The Joint Supervisors have admitted proofs of debt to the sum of £10,251.24 following approval of the arrangement.
- 4 4 There are no known preferential claims in the arrangement.

5. DIVIDEND PROSPECTS

- 5 1 There are insufficient funds available at present to enable a distribution to creditors.
- 5 2 No dividend is payable at present pursuant to HM Revenue & Customs approved modification number 4, being,

[Dividend prohibitions] No non preferential distributions will be made until (i) a CTSA return has been filed for the accounting period ended on or immediately prior to the date, of approval, or of commencement of the prior administration (ii) a VAT and/or other levy or duty return to HMRC has been filed up to the date of the approval [or the date of commencement of the prior administration] or (iii) an HMRC determination or assessment has been made and the supervisor has admitted their final claims

- 5 3 The Joint Supervisors will continue to liaise with HM Revenue & Customs to ensure that their final claim is received.

6. COSTS AND EXPENSES

- 6 1 The Nominees' remuneration to the sum of £2,500 (excluding VAT) have been paid in accordance with the Proposal.

This sum was paid by way of a pre-appointment contribution of £2,500 and as such is not included within the Joint Supervisors' Abstract of Receipts and Payments for the first year of the Arrangement.

- 6 2 Under the terms of the Proposal the Joint Supervisors' remuneration is to be calculated on a time cost basis. The Joint Supervisors have drawn remuneration in the sum of £1,200 during the first year of the arrangement.
- 6 3 A sum of £265.89 has been charged incorrectly in relation to VAT. The Joint Supervisors will rectify the position and return any funds paid and claimed in error.
- 6 4 For the period of this report, time costs amount to £3,218.50 representing 23.00 hours' work, at an average charge out rate of £139.93. Appendix 2 contains information about my remuneration as Joint Supervisor and expenses, including the total time spent on the affairs of the Company for the period of one year from when the proposal was approved on 8 December 2011, and the cost of that time based on the charge out rates of the staff undertaking the work.
- 6 5 A description of the routine work undertaken in the administration to date is as follows:

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Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications
- Preparing the documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on Insolv case management software
- Case bordereau
- Case planning and administration
- Preparing reports to members and creditors

Cashiering

- Maintaining and managing the Joint Supervisors cashbook and bank account

Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on Insolv case management software
- Reviewing, and adjudicating on if necessary, proof of debt received from creditors

Realisation of Assets

- Monitoring the Company's on-going contributions

6 6 In addition to the routine work above and the other work I have undertaken as described in the section dealing with my actions since appointment, I have spent additional time as follows

- Communication with HM Revenue & Customs and the Company with relation to post approval taxation returns

HM Revenue & Customs have contacted the Joint Supervisors to advise that they have been unable to locate a number of the Company's post-approval tax returns

By way of communication with both the Company and HMRC it has been identified that the absent returns had been filed using incorrect tax references. A number of these returns have now been located and reallocated correctly

Certain matters remain to be resolved and the Joint Supervisors will continue to liaise with HM Revenue & Customs and the Company to ensure they are resolved in an expedient manner

- Assessment of financial position in light of the possibility of increased contributions

6 7 A sum of £110 00 has been charged in relation to the use of Insolv software

6 8 The Statement of Insolvency Practice 9 "A Creditors Guide to Insolvency Practitioners' Fees" and our charge out rates and disbursement details may be found on our website, www.fasimms.com/download. Should any creditor require a copy of these documents to be sent to you please contact my office

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7. CONCLUSION

7 1 The Company's contributions will continue to be monitored by the Joint Supervisors to ensure they are received in a timely manner

7 2 With regard overpayment of contributions and in line with HM Revenue & Customs approved modification 10, being,

[Reviews] The Supervisor is to conduct a full review every 12 months of the company's business income and expenditure and obtain an increase in voluntary contributions of not less than 50% of any rise in the net income after provision for tax

A review of the Company's finances will be undertaken to assess whether increased contributions may be made to ensure a more expedient end to the arrangement

7 3 The Joint Supervisors will continue to liaise with HM Revenue & Customs and the Company to ensure all matters concerning post-approval taxation are resolved

7 4 HM Revenue & Customs will continue to be pursued for their final claim in the arrangement to allow for an interim distribution to be made to creditors

7 5 It is presently the opinion of the Joint Supervisors that the Company has complied to date with its approved Voluntary Arrangement and will continue to ensure its implementation to conclusion. Should this position change, the Joint Supervisors will inform all creditors accordingly

7 6 If you have any queries regarding the contents of this report then please telephone either Jason Hutton or myself on 01455 555 475



Carolynn Jean Best
Joint Supervisor

Date 4 February 2013

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APPENDIX 1
Joint Supervisors' Receipts and Payments Account

**Chocolatier de France Limited T/A Chocolat Chocolat
In Company Voluntary Arrangement**

**Joint Supervisors' Abstract of Receipts & Payments
From 08 December 2011 to 07 December 2012**

S of A £		08/12/11 to 07/12/12	Total £
RECEIPTS			
NIL	Voluntary Contributions	7,775 00	7,775 00
NIL	Bank Interest Gross	1 58	1 58
		<u>7,776 58</u>	<u>7,776 58</u>
PAYMENTS			
	Supervisors Remuneration	1,200 00	1,200 00
	Supervisors Disbursements	129 45	129 45
	IT Charges	110 00	110 00
	VAT Receivable	265 89	265 89
		<u>1,705 34</u>	<u>1,705 34</u>
CASH IN HAND		<u>6,071 24</u>	<u>6,071 24</u>

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APPENDIX 2

Analysis of time costs

Joint Supervisor's Remuneration Schedule
Chocolatier de France Limited
Between 08 December 2011 and 07 December 2012

Classification of work function	Partner/Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	3 30	5 30	1 90	4 80	15 30	1,983 00	129 61
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of Assets	0 00	0 20	0 00	0 00	0 20	27 00	135 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	1 30	0 30	2 70	0 40	4 70	788 50	167 77
Case Specific Matters	0 00	0 00	2 80	0 00	2 80	420 00	150 00
Total hours	4 60	5 80	7 40	5 20	23 00		
Time costs	1,150 00	576 00	1,120 50	372 00	3,218 50		
Average hourly rate	250 00	99 31	151 42	71 54	139 93		

Description	Total Incurred £	Total Recovered £
Photocopying	6 20	0 00
Telephone	0 04	0 00
General Correspondence	2 43	0 55
Report of Meeting	3 12	3 12
Insolvency Bond	120 00	120 00
Identity Check	40 00	0 00
Totals	171 79	123 67

Total time spent in administering the Assignment	Hours	23 00
Total value of time spent	£	3,218 50
Total Joint Supervisor's fees charged to date	£	5,705 50

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APPENDIX 3

Summary of Proposal

CHOCOLATIER DE FRANCE LIMITED

Summary of the proposal is listed below

- A dividend will be paid to creditors at the earliest practicable date where all other assets have been realised and all creditors' claims have been agreed
- The Supervisors will agree creditors' claims and pay a dividend to creditors out of the funds in their possession
- This Proposal is in full and final settlement of all claims by creditors against the company
- It is estimated that the duration of the CVA will be approximately 48 months
- Preferential claims, if any, will be paid in full
- The estimated dividend to unsecured creditors will be 100 pence in the £ after the costs and expenses of the CVA and the outstanding costs of the liquidation
- Creditors who inadvertently did not receive notice of the meeting to approve the proposals shall be given the opportunity to participate in the Voluntary Arrangement as if they received the notice in the normal matter
- Claims will be calculated in accordance with the Insolvency Act and Rules 1986
- The nominees are to be paid £2,500 00 in respect of their fees, together with any out of pockets expenses that will be incurred in connection with this proposal
- The nominees fee is to be paid in full by way of a contribution by the Company prior to the approval of the arrangement

Approved Modifications.

- [Interpretation] Where a modification to the proposal is approved by creditors and accepted by the company, the entire proposal shall be construed in light of the modification and read to give effect to that modification such that any contrary or potentially contrary provisions in the proposal shall either be ignored, or interpreted, in order that the intention of the modification is given priority and effect
- [HMRC Claim] The HMRC (former IR) claim in the CVA will include PAYE/NIC, to the date of the meeting to approve the meeting or [the commencement of the prior administration] and CTSA/assessed tax for the accounting period(s) ending on or before the date of the approval of the arrangement [or date of commencement of the prior administration]
- [HMRC Claim] The HMRC (former HMC&E) claim in the CVA will include assessed tax, levy or duty to the date of approval or [to the date of the commencement of the prior administration]
- [Dividend prohibitions] No non preferential distributions will be made until (i) a CTSA return has been filed for the accounting period ended on or immediately prior to the date, of approval, or of commencement of the prior administration (ii) a VAT and/or other levy or duty return to HMRC has been filed up to the date of the approval [or the date of commencement of the prior administration] or (iii) an HMRC determination or assessment has been made and the supervisor has admitted their final claims
- [Expenses of arrangement] CTSA/VAT due on realisation of assets included in the arrangement will be regarded as an expense of realising the asset payable out of the net sale proceeds

- [Tax overpayments] Set-off of refunds due from the Crown against debts due to the Crown will be in accordance with statute and established legal principle
- [Liquidation costs provision] The supervisor shall set aside sufficient funds for Winding Up proceedings against the company and such funds will rank ahead of any other expenses of the arrangement
- [Contributions] if the company should fail to pay 2 monthly contributions (these need not be consecutive) this shall constitute a default of the CVA that cannot be remedied and the Supervisor shall immediately petition for the compulsory winding up of the Company
- [Payments] The company is to make 48 monthly voluntary contributions of not less than the amounts shown in para 6.4 of the proposals. Should the arrangement need to continue beyond month 48 payments from month 49 onwards will be at a rate of £1,300.00 per month for the remainder of the arrangement
- [Reviews] The Supervisor is to conduct a full review every 12 months of the company's business income and expenditure and obtain an increase in voluntary contributions of not less than 50% of any rise in the net income after provision for tax
- [Duration] The duration of the arrangement shall not exceed 66 months without the prior approval of a 75% majority in value of creditor's claims voting for the resolution
- The arrangement shall not be capable of successful completion until all unsecured, non preferential creditors claiming in the arrangement have received a minimum dividend of 90 pence in the £
- [CVA extension] If, to achieve 90p in the £ to all creditors, the arrangement needs to be extended beyond 4 years, S189 IA1986 shall apply and all references to winding up shall be taken as references to CVA and statutory interests shall be paid from the date the arrangement is approved, or the date of any earlier winding up order, or administration to the date of payment so far as funds will allow
- Supervisors fees in this matter will be capped at £9,000.00
- [Variation] The company shall not within 12 months of approval propose a variation to the arrangement that will reduce the yield to creditors below the forecast of 100 pence/£ unless the supervisor can provide clear evidence that the variation proposal results from changed trading circumstances that could not have been foreseen when the arrangement was approved. For the avoidance of doubt simple miss-forecasting of business turnover or profitability shall not provide cause for variation. The Supervisor's evidence, supporting financial information and notice of creditors shall be circulated to creditors giving at least 14 days clear notice. Creditors shall be asked to say whether the costs associated with the variation shall be met from VA funds in the event that it is rejected
- The directors of the company shall not
 - (a) Declare or pay any dividend to shareholders for the duration of the voluntary arrangement
 - (b) Declare or pay themselves additional remuneration or fees save shall be agreed with creditors representing 75% of voting creditors