

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 7 5 4 7 1 6 6

Company name in full CADALAKE LIMITED

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) KIAN SENG

Surname TAN

3 Liquidator's address

Building name/number 79A

Street HIGH ROAD

WILLESDEN

Post town LONDON

County/Region

Postcode N W 1 0 2 S U

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

:

7 Final account

☒ I attach a copy of the final account.

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 2 ^d 8

^m 0 ^m 5

^y 2 ^y 0 ^y 2 ^y 1

**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

Company name

K S TAN & CO

Address

79A HIGH ROAD, WILLESSEN

Post town

LONDON

County/Region

Postcode

N

W

1

0

2

S

U

Country

DX

Telephone

020 7586 1280

**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

**LIQUIDATOR'S FINAL ACCOUNT TO
CREDITORS AND MEMBERS**

**CADALAKE LIMITED
- IN LIQUIDATION**

30TH MARCH 2021

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APPENDICES

1. Receipts and Payments Account from 31 March 2020 to 30 March 2021
2. Additional Information in Relation to the Liquidator's Fees, Expenses & Disbursements
3. Privacy Notice

1. Introduction

- 1.1. I, Kian Seng Tan of K S Tan & Co, was appointed as Liquidator of Cadalake Limited (**‘the Company’**) on 31 March 2020. The affairs of the Company are now fully wound-up and this is my final account on the liquidation, which covers the period since my appointment (**‘the Period’**).
- 1.2. The principal trading address of the Company was from 27 Eastcheap, Letchworth Garden City SG6 3DA. The Company previously traded under the name of ‘Heart 2 Heart’ as a licensed restaurant.
- 1.3. The registered office of the Company has been changed from 27 Eastcheap, Letchworth Garden City SG6 3DA to c/o 10-12 New College Parade, Finchley Road, London NW3 5EP. The Company’s registered number is 07547166.
- 1.4. I confirm that there were no potential threats identified on any of the five Fundamental Principles under the Insolvency Code of Ethics.

2. Summary of the liquidation

- 2.1. The statement of affairs as at the date of the liquidation reflected assets to realise of £6,665 and estimated unsecured creditors of £139,387.
- 2.2. There were recoveries of £7,200 made over the course of the liquidation. The realisations were slightly higher than the estimate on the statement of affairs.
- 2.3. Claims totalling £136,844 have been submitted by the unsecured creditors in the liquidation.
- 2.4. Due to insufficient funds, there was no dividend available to the unsecured creditors after defraying the expenses of the winding-up of the Company.

3. Receipts and Payments

- 3.1. At Appendix 1, I have provided an account of my Receipts and Payments for the Period with a comparison to the Director’s statement of affairs values, which provides details of the remuneration charged and expenses incurred and paid by the Liquidator.

4. Work undertaken by the Liquidator

- 4.1. This section of the report provides creditors with an overview of the work undertaken in the liquidation since the date of my appointment, together with information on the overall outcome of the liquidation.

Administration (including statutory compliance & reporting)

- 4.2. A Liquidator must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details of the work I anticipated undertaking in this regard was outlined previously. Over the course of the liquidation, the following has been carried out:
 - Notifying creditors of the Liquidator’s appointment and other associated formalities including statutory advertising and the filing of relevant statutory notices at Companies House;

CADALAKE LIMITED – IN LIQUIDATION

- Complying with statutory duties in respect of the Liquidator's specific penalty bond;
- Creation, management and update of case files, including internal databases;
- Changing the registered office to the Liquidator's office;
- Securing the Company's books and records;
- Completion and filing of the notice of the Company's insolvency to H M Revenue & Customs;
- Periodic case progression reviews (typically at the end of Month 1 and every 6 months thereafter);
- Opening, maintaining and managing the liquidation estate cashbook and bank account(s);
- Dealing with all post-appointment VAT and Corporation Tax compliance;
- Closing the liquidation and preparing and issuing the Liquidator's final account to creditors and members.

4.3. As noted in my initial fee information, this work has not necessarily brought any financial benefit to creditors. However, it is required to be carried out on every liquidation case by statute.

4.4. In this matter, the Liquidator's remuneration was based on a set fee and percentage of recoveries. Therefore, any additional work required to comply with statutory obligations, which did not result in further realisations would have no impact on the overall costs of the administration.

Realisation of Assets

4.5. The following assets were reflected on the statement of affairs and realised in the liquidation:

Assets	Estimated to Realise £	Realised in Liquidation £
Fixtures, Fittings & Equipment	3,040	3,200
Stocks	1,000	1,000
Goodwill	2,625	3,000
Total	<u>£6,665</u>	<u>£7,200</u>

4.6. Fixtures, Fittings & Equipment

Fixtures, fittings and equipment were estimated to realise £3,040 on a willing purchaser basis on the statement of affairs as per the valuation provided by agents, Rabbow & Co LLP. The above assets were subsequently sold for the sum of £3,200 in the liquidation.

4.7. Stocks

The remaining stocks were sold for the sum of £1,000, in line with the estimate on the statement of affairs. This was based on closing stocks value at cessation date as reflected on the accounts for year ended 31 March 2019.

4.8. Goodwill

It was reflected on the statement of affairs that goodwill was estimated to realise £2,625 as per the valuation provided by the agents on a willing purchaser basis. The agents have provided a valuation of goodwill based on 1% of annual turnover covering the last 2 years of trading. The sum of £3,000 has been recovered in respect of the sale of goodwill over the course of the winding-up.

Liquidator's Final Account
to Creditors and Members

4.9. The fixtures, fittings, equipment, stocks and goodwill were sold to the former Director for a total sum of £7,200. Please refer to Appendix 2 for fees paid to agents, Rabbow & Co LLP for the valuation report.

4.10. There were no other assets to realise in the liquidation.

Creditors (claims and distributions)

4.11. Further information on the outcome for creditors in this case can be found at section 5 of this report. A Liquidator is not only required to deal with correspondence and claims from unsecured creditors, but also those of any secured and preferential creditors of the Company.

This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture as well as dealing with the general handling of communications with stakeholders, such as customers and suppliers.

4.12. Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.

4.13. The above work will not necessarily bring any financial benefit to creditors generally and the costs will usually be proportionate to the number of creditors in an assignment. However, a Liquidator is also required by statute to undertake this work.

4.14. In this case, the following work has been carried out:

- Notifying creditors of the appointment of the Liquidator upon the winding-up;
- Corresponding with creditors, including HM Revenue & Customs and verifying claims where necessary.

Investigations

4.15. Some of the work the Liquidator was required to undertake was to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless those investigations revealed potential asset recoveries that could have been pursued for the benefit of creditors.

4.16. My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted in accordance with statutory timescales and is confidential.

4.17. Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account any comments from creditors as a response to my request to complete an investigation questionnaire, accounts prepared and filed, bank statements as well as records of sales and purchases.

4.18. My investigations have not revealed any issues that require further reporting or any potential recoveries that could be pursued for the benefit of creditors.

Connected Party Transactions

- 4.19. In accordance with Statement of Insolvency Practice 13, I would advise that the following assets were sold to the former Director, Mr Loai Louis Ho for a total sum of £7,200.

Date of Transaction	Assets Involved & Nature of Transaction	Consideration Paid & Date of Payment
9 April 2020	<p>Fixtures, Fittings & Equipment: Sold for £3,200</p> <p>Stocks: Sold for £1,000</p> <p>Goodwill: Sold for £3,000</p>	<p>Sold to: Mr Loai Louis Ho, the former Director.</p> <p>Payment of £7,200 was received on 9 April 2020</p>

- 4.20. Prior to completing the sale, I have sought professional advice from agents, Rabbow & Co LLP, a member of the National Association of Valuers and Auctioneers ('the Agents') on the offer following offer received from the former Director:

Fixtures, Fittings & Equipment	£3,200
Stocks	£1,000
Goodwill	£3,000

	£7,200
	=====

- 4.21. The offer received for the above assets of £7,200 was higher than the valuation of £6,665 provided by the agents on a willing purchaser basis.

- 4.22. The fixtures, fittings and equipment valued at £3,040 and sold for £3,200 were mainly generic items that are likely to have a significantly lower realisable value in a second-hand market if removed for sale. The agents have valued the above assets at £900 on a forced sale basis. There will be additional costs of removal and sale which would reduce any potential recoveries further.

- 4.23. The stocks were valued at £1,000 based on closing stocks as at cessation date on 31 March 2019. As the stocks were perishable items with limited shelf life, the offer received was considered to be reasonable and based on value attributed to the closing stocks taken over at cessation.

- 4.24. The goodwill was valued based on a percentage of the turnover for the last 2 years of trading.

- Y/E 31/03/2019 £259,160
- Y/E 31/03/2018 £265,125

As there was no security of tenure, the agents have valued this based on 1% of average turnover covering the last 2 years of trading. Goodwill was estimated to realise £2,625 on the statement of affairs on a willing purchaser basis. A higher offer of £3,000 was received and accepted for goodwill and for the use of trading name 'Heart 2 Heart'. The agents are of the opinion that there is no value to goodwill to any unconnected parties without the premises.

4.25. As far as I am aware, the purchaser did not seek independent advice prior to the sale of assets. However, the purchaser was recommended to seek his own independent advice.

4.26. Therefore, I am satisfied that there are no concerns of the sale to a connected party being at undervalue or that a higher recovery is likely to be achieved elsewhere after taking into account the above considerations.

5. Outcome for Creditors

Secured Creditors

5.1. The Company did not grant any fixed or floating charges over the Company's assets to any secured creditors and no distributions have been made to such creditors as a result in the liquidation.

Preferential Creditors

5.2. There were no preferential creditors in this liquidation.

Unsecured Creditors

5.3. Per Statement of Affairs: 3	Claims Received: 3
Total: £139,387	Total: £136,844

5.4. There were no floating charges granted to secured creditors by the Company. Therefore, there was no requirement under S176A of the Insolvency Act 1986 to create a fund out of the Company's net floating charge property for unsecured creditors (known as the '**Prescribed Part**').

5.5. All unsecured creditors have submitted a claim in this matter and the claims received were generally in line with the statement of affairs estimate.

5.6. I can confirm that the realisations in the liquidation are insufficient to declare a dividend to the unsecured creditors after defraying the expenses of the winding-up. As there was no dividend available to the unsecured creditors, steps were not taken to adjudicate the claims received.

6. Liquidator's Remuneration & Expenses

Fees & Expenses

Pre-Appointment fees

6.1. The pre-appointment fees for assisting with the preparation of the statement of affairs and financial report of the Company, including seeking a decision of creditors on the nomination of Liquidator by 'deemed consent' was set at £6,000 plus VAT.

6.2. The above was approved by creditors and drawn accordingly as an expense of the liquidation.

Liquidator's Fees, Remuneration and Expenses

- 6.3 The basis of the Liquidator's remuneration was approved by creditors at the same time and was fixed as a combination of a set fee and percentage on the following basis:
- Set fee of £8,000 plus VAT; and
 - 15% of total assets realised
- 6.4 The Liquidator will draw the sum of £565 against the set fee agreed, as approved by creditors. A limited sum has been drawn in respect of Liquidator's remuneration due to a lack of available funds in the liquidation. I can confirm that no further sums would be drawn in respect of remuneration.
- 6.5 A narrative explanation of the work undertaken by the Liquidator during the Period can be found at section 4 of this report.
- 6.6 Attached as Appendix 2 is additional information in relation to the Liquidator's fees and the expenses and disbursements incurred in the liquidation.
- 6.7 A copy of 'A Creditors Guide to Liquidators' Fees' is available on request or can be downloaded from www.icaew.com/en/technical/insolvency/creditors-guides.

7. Privacy Notice

- 7.1. Information about the way that we will use, and store personal data on insolvency appointments can be found in the attached Privacy Notice on Appendix 3.

8. Conclusion

- 8.1. This final account will conclude my administration of this liquidation. The Notice accompanying this account provides creditors with information on their rights under the insolvency legislation. It also provides details on when I will vacate office and obtain my release as Liquidator.

Yours faithfully



K S Tan
Liquidator

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APPENDIX 1

CADALAKE LIMITED - IN LIQUIDATION

LIQUIDATOR'S FINAL RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD 31 MARCH 2020 TO 30 MARCH 2021

	<u>Per Statement of Affairs</u>	<u>31 March 2020 to 30 March 2021</u>
Receipts	£	£
Fixtures, Fittings & Equipment	3,040	3,200
Stocks	1,000	1,000
Goodwill	2,625	3,000
	<u>£ 6,665</u>	<u>£ 7,200</u>
Payments		
Pre-Appointment Fees		6,000
Liquidator's Remuneration		565
Statutory Advertising		165
Insolvency Bond		70
Agent's Fees		400
		<u>£ 7,200</u>

Note: Funds were held in an interest bearing account with HSBC Bank Plc in the name of 'K S Tan Cadalake Limited - In Liquidation'

APPENDIX 2

ADDITIONAL INFORMATION IN RELATION TO THE LIQUIDATOR’S FEES, EXPENSES & DISBURSEMENTS

1. Staff Allocation and the Use of Sub-Contractors

- 1.1. The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2. The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3. We have not utilised the services of any sub-contractors in this case.

2. Professional Advisors/Agents

- 2.1. On this assignment we have used the professional advisors/agents listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor/Agents	Basis of Fee Arrangement
Rabbow & Co LLP (Valuation Report)	Set Fee of £400

- 2.2. Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

3. Liquidator’s Expenses & Disbursements

- 3.1. The estimate of expenses (including disbursements) which were anticipated at the outset of the Liquidation was provided to creditors when the basis of my fees was approved, a copy of which is set out below:

Expenses	Estimated Cost £	Actual Cost £
Statutory Advertising	165	165
Insolvency Bond	70	70
Agent’s Cost	500 -1,000	400

The above expenses and disbursements have been settled in full.

Summary of Liquidator’s expenses

- 3.2. Please refer to Appendix 1 for a summary of the expenses paid by the Liquidator during the Period on the Receipts and Payments account.

- 3.3. Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.
- 3.4. Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

We confirm that this firm does not charge any Category 2 disbursements.

APPENDIX 3



K S TAN & CO
PRIVACY NOTICE

Use of personal information

We process personal information to enable us to carry out our work as insolvency practitioners which includes processing data that was held by companies/individuals before our appointment together with data collected during an insolvency procedure or a fixed charge receivership. Our legal obligation to process personal data arises from work we are required to carry out under insolvency and other related legislation.

Insolvency practitioners are Data Controllers of personal data in so far as defined by data protection legislation. K S Tan & Co will act as Data Processor on their instructions about personal data in relation to an insolvency procedure or fixed charge receivership.

Personal data will be kept secure and processed only for matters relating to the insolvency procedure being dealt with.

The data we may process

The personal data insolvency practitioners may process in most cases will be basic details that may identify an individual and will typically be sufficient to allow us to carry out our work as insolvency practitioners, for example, dealing with the claims of individuals who are owed monies by the companies/individuals over whom we have been appointed.

However, insolvency practitioners may be appointed over entities that process personal data that is considered more sensitive, for example health records and this sensitive data will usually have been created before our appointment. Although we will take appropriate steps to safeguard sensitive data (or to destroy it where it is appropriate to do so), subject to limited exceptions, for example, where we identify previous conduct and/or action that requires further investigation, we will not be processing sensitive data.

Sharing information

We may share personal data with third parties where we are under a legal or regulatory duty to do so, or it is necessary for the purposes of undertaking our work as insolvency practitioners. We may also share personal data to lawfully assist the police or other law enforcement agencies with the prevention and detection of crime, where disclosure is necessary to protect the safety or security of any persons and/or otherwise as permitted by the law.

If we are required by law to verify your identity, we will supply some of your personal information to TransUnion International UK Limited, which is a credit reference agency providing services such as fraud prevention, anti-money laundering, identity verification and tracing.

TransUnion will use your personal information to provide services to us and its other clients. We use their services in order to check your identity and prevent criminal activity such as fraud and money laundering. More information about TransUnion and the ways in which it uses and shares personal information can be found in its privacy notice at <https://www.transunion.co.uk/legal-information/bureau-privacy-notice>.

How long will we hold it?

Personal data will be retained for as long as any legislative or regulatory requirement requires us to hold it. Typically, this may be up to 6 years after which it will be destroyed.

What are your rights?

You have the right to receive the information contained in this document about how your personal data may be processed by us. You also have the right to know that we may be processing your personal data and, in most circumstances, to have information about the personal data of yours that we hold, and you can ask for certain other details such as what purpose we may process your data for and how long we will hold it.

Individuals have the right to request that incorrect or incomplete data is corrected and in certain circumstances, you may request that we erase any personal data on you which may be held or processed as part of our work as insolvency practitioners. If you have any complaints about how we handle your personal data, please contact Mr K S Tan so we can resolve the issue, where possible. You also have the right to lodge a complaint about any use of your information with the Information Commissioners Office (ICO), the UK data protection regulator.