

LIQ03

Notice of progress report in voluntary winding up



Companies House

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COMPANIES HOUSE

1 Company details

Company number 0 7 6 0 3 2 0 5
Company name in full Palazzo Marble & Granite Limited

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

2 Liquidator's name

Full forename(s) Emma Louise
Surname Mifsud

3 Liquidator's address

Building name/number Oxford Chambers
Street Oxford Road
Post town Guiseley
County/Region Leeds
Postcode L S 2 0 9 A T
Country

4 Liquidator's name ①

Full forename(s)
Surname

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

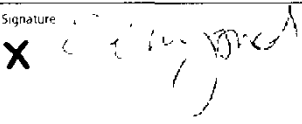
5 Liquidator's address ②

Building name/number
Street
Post town
County/Region
Postcode
Country

② Other liquidator
Use this section to tell us about
another liquidator

LIQ03

Notice of progress report in voluntary winding up

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

ANNUAL PROGRESS REPORT

Palazzo Marble & Granite Limited - IN CREDITORS' VOLUNTARY LIQUIDATION

ANNUAL PROGRESS REPORT OF Palazzo Marble & Granite Limited - IN CREDITORS' VOLUNTARY LIQUIDATION

Content

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- Administration and Planning
- Enquiries and Investigations
- Realisation of Assets
- Creditors
- Fees and Expenses
- Creditors' Rights
- EU Regulations
- Conclusion

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- Appendix II – Receipts and Payments account for the period 19 November 2018 to 18 November 2019
- Appendix III - Detailed list of work undertaken in the period
- Appendix IV - Expenses summary for period, cumulative & comparison with estimate

ANNUAL PROGRESS REPORT OF Palazzo Marble & Granite Limited - IN CREDITORS' VOLUNTARY LIQUIDATION

EXECUTIVE SUMMARY

A summary of key information in this report is detailed below.

Assets

| Asset | Estimated realise to per of Statement Affairs | Realisations to date | Anticipated future realisations | Total anticipated realisations |
|-------------------------|---|----------------------|---------------------------------|--------------------------------|
| Antecedent Transactions | 1.00 | 25,000.00 | 0 | 25,000.00 |
| Computer & Equipment | Uncertain | 0 | 0 | 0 |
| Motor Vehicle | 4,000.00 | 0 | 0 | 0 |
| Stock | 0 | 0 | 0 | 0 |
| Plant & Machinery | 0 | 0 | 0 | 0 |
| Fixtures & Fittings | Uncertain | 0 | 0 | 0 |
| Book Debts | Uncertain | 0 | 0 | 0 |
| Website & Domain | Uncertain | 0 | 0 | 0 |
| Short Leasehold | 0 | 0 | 0 | 0 |

Expenses

| Expense | Amount fees per and expenses estimates | Expense incurred to date | Anticipated further expense to closure | Total anticipated expense |
|--------------------------------|--|--------------------------|--|---------------------------|
| Liquidator's fees | N/A | 10,000.00 | 0 | 10,000.00 |
| Solicitor's and Counsel's fees | N/A | 11,250.00 | 0 | 11,250.00 |
| Agent's fees | N/A | 500.00 | 0 | 500.00 |
| All other expenses | N/A | 552.70 | 100.00 | 652.70 |

Dividend prospects

| Creditor class | Distribution / dividend paid to date | Anticipated distribution / dividend, based upon the above |
|------------------------|--------------------------------------|---|
| Secured creditor | 0 | 0p/£ |
| Preferential creditors | 0 | 0p/£ |
| Unsecured creditors | 0 | 0p/£ |

Summary of key issues outstanding

- Recovery of VAT
- Settlement of the final expenses of the Liquidation
- Closure procedures

Closure

Based on current information, it is anticipated that the liquidation will be concluded within the next 4 months.

ANNUAL PROGRESS REPORT OF Palazzo Marble & Granite Limited - IN CREDITORS' VOLUNTARY LIQUIDATION

ADMINISTRATION AND PLANNING

Statutory information

Statutory information may be found at Appendix I.

The Liquidator is required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found in Appendix IV.

Kate Elizabeth Ellis (nee Breese) of Walsh Taylor, Oxford Chambers, Oxford Road, Guiseley, Leeds, LS20 9AT was appointed Liquidator of the Company on 19 November 2015. Please note, that Emma Mifsud replaced Kate Ellis as Liquidator by a court order dated 11 November 2019. Emma Mifsud is therefore the sole Liquidator.

Reporting

The Liquidator has met her statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

During the Review Period, the following key documents have been issued:

- This progress report;
- A report to the unsecured creditors in relation to key developments affecting the liquidation and requesting a decision on basis of the Liquidator's remuneration.

Other administration tasks

During the Review Period, the following material tasks in this category were carried out:

- Case progression reviews.

ENQUIRIES AND INVESTIGATIONS

As explained in previous reports the Liquidator's initial assessment revealed matters that the Liquidator considered merited further investigation.

After completing her enquiries, the Liquidator's solicitors issued proceedings in the High Court claiming £70,000 from a third party.

Before the proceedings were heard the Defendant made an offer of settlement of £15,000. This was rejected by the Liquidator and a further offer of £25,000 was made. After considering the merits of the claim, the costs of continuing with legal action and on the basis of legal advice from her solicitor, the Liquidator accepted this offer and a confidential settlement agreement was agreed on 8 October 2019. The settlement funds have been received in full.

Due to the confidentiality of the settlement the Liquidator is unable to provide any further information.

REALISATION OF ASSETS

The position in respect of the realisation of the Company's other assets as disclosed in the Statement of Affairs has been dealt with in earlier progress reports together with the associated agent's costs in valuing and realising the assets. There will be no further asset realisations in the liquidation.

CREDITORS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Liquidator has had to carry out key tasks which are detailed in the list at Appendix IV. The following sections explain the anticipated outcomes to creditors and any distributions paid.

Secured creditors

The Company has not granted any charges over its assets.

Preferential creditors

Employee claims

There are no preferential creditors in respect of employees' claims in the liquidation.

Unsecured creditors

HMRC was shown to be owed £15,912.00. A claim of £19,979.36 has been received.

The trade and expense creditors as per the statement of affairs totalled £112,924.69. Claims received to date total £91,896.88. Further claims may be submitted and so the total amount of creditors' claims is not yet finalised.

Dividend prospects

I do not anticipate that a dividend will be made to unsecured creditors.

The Company has not granted a floating charge to any creditor after 15 September 2003 and consequently there will be no prescribed part in this Liquidation.

FEES AND EXPENSES

Pre-Appointment Costs

Fixed fee agreed with the Directors and ratified by creditors.

At the initial creditors' meeting held pursuant to Section 98 of the Insolvency Act 1986 the creditors authorised the fee of £5,000 plus disbursements and VAT for assisting the directors with placing the Company in Liquidation and with preparing the Statement of Affairs.

The fee has not yet been paid.

The Liquidator's fees

It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a manager and director then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a senior manager or director.

ANNUAL PROGRESS REPORT OF Palazzo Marble & Granite Limited - IN CREDITORS' VOLUNTARY LIQUIDATION

The basis of the Liquidator's fees was approved by creditors on 15 November 2019 in accordance with the following decision :

That the Liquidator's fees be fixed as a set fee of £10,000 plus VAT

The Liquidator has drawn £8,500.00 plus VAT in respect of these fees. Please note that these funds were drawn outside the period of this report and are therefore not reflected on the Receipts and Payment Account at Appendix II.

Disbursements

The disbursements that have been incurred and not yet paid during the period are detailed on Appendix IV. Also included in Appendix IV is a comparison of the expenses likely to be incurred in the Liquidation as a whole with the original expenses estimate, together with reasons where any expenses are likely to exceed that estimate.

The category 1 disbursements paid for in the period 19 November 2018 to 18 November 2019 total £1,253.45 and are detailed at Appendix IV and represent the simple reimbursement of actual out of pocket payments made in relation to the assignment. These expenses have been incurred in the period but recovered after the end of the current reporting period.

The category 2 disbursements for the period 19 November 2018 to 18 November 2019 total £29.08. The basis of calculation of this category of disbursement was disclosed to creditors prior to their approval, which was given on 15 November 2019, and are also detailed at Appendix IV. These expenses have been incurred in the period but recovered after the end of the current reporting period.

Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors' Guide to Fees' may be found <https://www.walshtaylor.co.uk/linksdocuments/guide-to-fees/>. A hard copy of both the Creditors' Guide and the firm's charge-out rate and disbursement policy may be obtained on request.

Other professional costs

Solicitors

The Liquidator instructed Excello Law, Solicitors, in relation to the claim for antecedent transactions noted in the Investigation section above. They have dealt with all aspects of the claim including advising the Liquidator, issuing proceedings, negotiating with the Defendant and agreeing settlement terms. Their costs have been agreed as a fixed fee of £10,000, plus disbursements and VAT and have been paid in full. Counsel's fees of £1,250 have been paid as a disbursement.

CREDITORS' RIGHTS

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 Liquidator's remuneration and expenses, within 21 days of 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 creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

ANNUAL PROGRESS REPORT OF Palazzo Marble & Granite Limited - IN CREDITORS' VOLUNTARY LIQUIDATION

EU REGULATIONS (WHETHER PROCEEDINGS ARE MAIN PROCEEDINGS OR TERRITORIAL)

The Company's centre of main interest was in the UK as their registered office address was Unit 10, The Old Stone Quarry, Ripon Road, Killinghall, Harrogate, North Yorkshire, HG3 2BA and their trading address was Unit 10, The Old Stone Quarry, Ripon Road, Killinghall, Harrogate, North Yorkshire, HG3 2BA and therefore it is considered that the EU Regulations apply. These proceedings are main proceedings as defined in the EU Regulation.

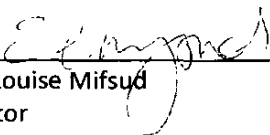
CONCLUSION

The administration of the case will be continuing to finalise the following outstanding matters that are preventing this case from being closed:

- Recovery of VAT
- Settlement of the final expenses of the Liquidation
- Closure procedures

If you require any further information, please contact this office.

Signed


Emma Louise Mifsud

Liquidator

15 January 2020

ANNUAL PROGRESS REPORT OF Palazzo Marble & Granite Limited - IN CREDITORS' VOLUNTARY LIQUIDATION

Appendix I

Statutory Information

| | |
|--------------------------|--|
| Company Name | Palazzo Marble & Granite Limited |
| Former Trading Name | Palazzo Fireplaces Limited |
| Company Number | 07603205 |
| Registered Office | Oxford Chambers, Oxford Road, Guiseley, Leeds, LS20 9AT |
| Former Registered Office | Unit 10, The Old Stone Quarry, Ripon Road, Killinghall, Harrogate, North Yorkshire, HG3 2BA |
| Office holder | Emma Louise Mifsud |
| Office holders' address | Walsh Taylor, Oxford Chambers, Oxford Road, Guiseley, Leeds, LS20 9AT |
| Date of appointment | 19 November 2015 |

Change in office holder: Kate Elizabeth Ellis (nee Breese) of Walsh Taylor, Oxford Chambers, Oxford Road, Guiseley, Leeds, LS20 9AT was appointed Liquidator of the Company on 19 November 2015. Please note, that Emma Mifsud replaced Kate Ellis as Liquidator by a court order dated 11 November 2019. Emma Mifsud is therefore the sole Liquidator.

ANNUAL PROGRESS REPORT OF Palazzo Marble & Granite Limited - IN CREDITORS' VOLUNTARY LIQUIDATION

Appendix II

Receipts and Payments account for the period 19 November 2018 to 18 November 2019

Palazzo Marble & Granite Limited
(In Liquidation)
LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

| | Statement of affairs £ | From 19/11/2018 To 18/11/2019 £ | From 19/11/2015 To 18/11/2019 £ |
|--------------------------------|------------------------------|---------------------------------------|---------------------------------------|
| RECEIPTS | | | |
| Motor Vehicle | 4,000.00 | NIL | NIL |
| Plant & Machinery | NIL | NIL | NIL |
| Fixtures & Fittings | NIL | NIL | NIL |
| Stock | Uncertain | NIL | NIL |
| Book Debts | Uncertain | NIL | NIL |
| Website & Domain | Uncertain | NIL | NIL |
| Antecedent transactions | 1.00 | 25,000.00 | 25,000.00 |
| | | <u>25,000.00</u> | <u>25,000.00</u> |
| PAYMENTS | | | |
| Santander | (1,945.00) | NIL | NIL |
| Legal fees | | 10,000.00 | 10,000.00 |
| Trade & Expense Creditors | (19,054.00) | NIL | NIL |
| Shareholders Loan | (70,000.00) | NIL | NIL |
| Banks/Institutions | (6,248.68) | NIL | NIL |
| HM Revenue & Customs - PAYE/NI | (3,027.00) | NIL | NIL |
| HM Revenue & Customs - VAT | (12,885.00) | NIL | NIL |
| Ordinary Shareholders | (100.00) | NIL | NIL |
| | | <u>10,000.00</u> | <u>10,000.00</u> |
| Net Receipts/(Payments) | | <u>15,000.00</u> | <u>15,000.00</u> |
| MADE UP AS FOLLOWS | | | |
| Vat Receivable | | 2,000.00 | 2,000.00 |
| Bank Current a/c | | 13,000.00 | 13,000.00 |
| | | <u>15,000.00</u> | <u>15,000.00</u> |

ANNUAL PROGRESS REPORT OF Palazzo Marble & Granite Limited - IN CREDITORS' VOLUNTARY LIQUIDATION

Appendix III

Detailed list of work undertaken for Palazzo Marble & Granite Limited in Creditors' Voluntary Liquidation for the review period 19 November 2018 to 18 November 2019

Below is detailed information about the tasks undertaken by the Liquidator.

| General Description | Includes |
|---|--|
| Statutory and General Administration | |
| Statutory/advertising | Filing of documents to meet statutory requirements including annual receipts and payments accounts Annual corporation tax returns Advertising in accordance with statutory requirements Bonding the case for the value of the assets |
| Document maintenance/file review/checklist | Filing of documents Periodic file reviews documenting strategy Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists |
| Bank account administration | Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments |
| Planning / Review | Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case |
| Books and records / storage | Dealing with records in storage Sending job files to storage |
| Reports | Preparing annual progress report, investigation and general reports to creditors including the report for the remuneration decision procedure |
| Creditors' decisions | Preparation of decision procedure notices, proxies/voting forms and advertisements Notice of decision procedure to all known creditors Collate and examine proofs and proxies/votes to conclude decisions For virtual or physical meetings: preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting Responding to queries and questions following decisions |
| Investigations | |
| SIP 2 Review | Collection and making an inventory of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions |
| Litigation / Recoveries | Strategy meeting regarding litigation Reviewing terms of solicitors' conditional fee agreements Preparing brief to solicitors/Counsel Liaising with solicitors regarding recovery actions Attending to negotiations Attending to settlement matters and considering offers of settlement |
| Creditors and Distributions | |
| Creditor Communication | Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Assisting employees to pursue claims via the RPO Corresponding with the PPF and the Pensions Regulator |
| Dealing with proofs of debt ("POB") | Receipting and filing POD when not related to a dividend Corresponding with RPO regarding POD when not related to a dividend |

ANNUAL PROGRESS REPORT OF Palazzo Marble & Granite Limited - IN CREDITORS' VOLUNTARY LIQUIDATION

Current Charge-out Rates for the firm

Time charging policy

Support staff do charge their time to each case

Support staff include cashier, secretarial and administration support.

The minimum unit of time recorded is 6 minutes.

| Staff | Charge out rates £ |
|--|-----------------------|
| Insolvency Practitioner/Partners/Directors | 425 |
| Senior Manager | 350 |
| Manager | 300 |
| Senior Administrator | 225 |
| Administrator | 190 |
| Cashier | 190 |
| Secretarial/Administration support staff | 125 |

Disbursement Recovery Policy

Category 1

Direct costs are recovered at actual cost to the case

Includes for example and where relevant insurance and bonding, advertising, courier, registration fees, search fees, postage (including re-direction), storage, subsistence and public transport.

No charge is made for telephone calls

Category 2

Apportioned costs are recovered on the following tariff:-

Fax

£1 per page sent

Photocopying

15p per copy — irrespective of size

Room hire

£150 for room hire for creditors' meetings - charge is only be made when attendance of debtor/ director and/or creditors is likely and a meeting room has been set aside.

Stationery

£25 Initial case set-up fee per corporate case
£15 per personal case

Annual case/ file maintenance charges of £10

Car travel

65p per mile

Fax, photocopying and stationery charges are based on the average costs of consumables

Room hire is based on an average of charges levied by four local providers

ANNUAL PROGRESS REPORT OF Palazzo Marble & Granite Limited - IN CREDITORS' VOLUNTARY LIQUIDATION

Appendix IV

**Expenses summary for period, cumulative & comparison with estimate
for Palazzo Marble & Granite Limited Limited in Creditors' Voluntary Liquidation**

Below are details of the Liquidator's expenses for the period under review and the total to date.

| Expenses | Original expenses estimate £ | Actual expenses incurred in the Review Period £ | Actual expenses incurred to date £ | Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate) |
|--|---------------------------------|--|---------------------------------------|--|
| Category 1 Expenses | | | | |
| Counsel's Fees | 1,250.00 | 1,250.00 | 1,250.00 | |
| Agents' and valuers' costs | 500.00 | 0 | 500.00 | |
| Postage | 28.37 | 3.45 | 28.37 | |
| Advertising | 222.75 | 0 | 222.75 | |
| Subsistence | 4.20 | 0 | 4.20 | |
| Category 2 Expenses | | | | |
| Internal storage of Insolvency Practitioner's working papers | 57.68 | 21.43 | 57.68 | |
| Photocopying (other than to creditors) | 45.90 | 7.65 | 45.90 | |
| Mileage (own car usage) | 191.80 | 0 | 191.80 | |