

WU07

Notice of progress report in a winding-up by the court



Companies House

FRIDAY



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05/06/2020

#173

COMPANIES HOUSE

1

Company details

Company number 0 8 8 6 1 2 7 3
Company name in full Twelve-By-Seventy-Five Limited

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

2

Liquidator's name

Full forename(s) Elliot
Surname Green

3

Liquidator's address

Building name/number Dephna House
Street 24-26 Arcadia Avenue
Post town London
County/Region
Postcode N 3 2 J 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

Period of progress report

From date	d	1	d	4	m	0	m	5	y	2	y	0	y	1	y	9
To date	d	1	d	3	m	0	m	5	y	2	y	0	y	2	y	0

7

Progress report

☒ The progress report is attached

8

Sign and date

Liquidator's signature

Signature

X



X

Signature date

d	0	d	5	m	0	m	6	y	2	y	0	y	2	y	0
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---



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TO ALL KNOWN CREDITORS AND MEMBERS OF
Twelve-By-Seventy-Five Limited - (In Liquidation)

**LIQUIDATOR'S ANNUAL PROGRESS REPORT FOR THE YEAR ENDING 14 May
2020**

**AMENDED FOLLOWING REJECTION OF EARLIER PROGRESS REPORT SUBMITTED TO
COMPANIES HOUSE DATED 18 MAY 2020 DUE TO A TYPOGRAPHICAL ERROR ON THE
DATE OF THE RECEIPTS AND PAYMENTS ACCOUNT**

5 June 2020

Our Ref: EGR12/EG

Dear Sirs

Twelve-By-Seventy-Five Limited (In Liquidation) ("the Company")

Court: High Court of Justice No 0010585 of 2018

Insolvent Estate Company Number: 08861273

Registered Office: Dephna House, 24-26 Arcadia Avenue, London, N3 2JU

Trading Address: Unit 7, Holts Court, Threshers Bush, Harlow, CM17 0NS

Contents

INTRODUCTION	2
REALISATION OF ASSETS	3
INVESTIGATIONS	3
Initial Investigation and Strategy	4
Further Investigations and Assessment	4
Year end 31 January 2017 Accounts	4
Litigation	4
OUTSTANDING MATTERS	5
STATUTORY AND PROFESSIONAL COMPLIANCE	5
CREDITORS AND ESTIMATED RETURN	5
Tasks in relation to creditors' claims	5
TIME COSTS AND EXPENSES SUMMARY	6

Fees	6
Time Records	6
Administration	6
Asset Realisation	6
Investigations	7
Creditors	7
Expenses	7
NET FINANCIAL BENEFIT	8
RECEIPTS AND PAYMENTS ACCOUNT	8
CREDITOR RIGHTS	8
Creditors' Rights to Challenge Office-Holder's Remuneration and Expenses	8
Adjudication of Creditors' Claims	8
Prescribed Part for Unsecured Creditors	8
Opting-out by Creditors	9
STATUTORY AND COMPLIANCE INFORMATION	9
Insolvent Estate information	10
Office-Holder's details	10
ADMINISTRATION	10
Annual Statutory and Professional Compliance	11
Closing Statutory and Professional Compliance	11
QUALITY OF SERVICE, DATA PRIVACY AND CODE OF ETHICS	11
NEXT REPORT	12

INTRODUCTION

I was appointed Liquidator ("the Office-Holder") of the Company on 14/05/2019, following a Winding-up Order being made on 30/01/2019.

In accordance with Rules 18.3 and 18.8 of the Insolvency (England & Wales) Rules 2016 ("IR 2016"), I now provide an annual progress report for the year ended 14 May 2020 ("the Period"), which should be read in conjunction with any previous report(s). Additional information in respect of the Company and Office-Holder(s) is detailed below.

This report provides the following information:

- The work undertaken in the period covered by the report.

- Remuneration and Expenses.
- An explanation of anticipated future work that remains to be done and why it is required.
- Details of time costs and expenses for dealing with these matters during the period covered by this report for my administration of the Company and to date; both simplified and detailed breakdowns.
- An explanation of my statutory and professional compliance duties as the Office-Holder.

The Official Receiver's Report to creditors dated 8 April 2019 suggested that there were no estimated realisable assets of value but that the Official Receiver ("OR") was aware of an inventory of wine held on behalf of the Company, the value of which at that point was yet to be assessed. The OR report also suggested that there were total liabilities of £1,613,692.87.

REALISATION OF ASSETS

I am under a general duty to attempt to realise the assets of the Company to maximise the potential realisations for creditors.

No asset realisations have arisen in the period covered by this report. This section of the report is devoted to explaining why notwithstanding efforts being deployed to attempt to realise assets, that this has not happened and to explain the work undertaken accordingly.

I set about attempting to assess the wine stock position. I contacted the bonded warehouse where the wine was stored and instructed agents, Task Associates, to assist my efforts at realisation of the wine stock for the Company for the best possible sum. Task Associates attempted to market the wine inventory to wine merchants without success. The Company's Director, Sultan Rashid, put Task Associates in touch with Venello Assets Limited ("VAL") who expressed an interest in acquiring the wine stock for £20,000. This has been the best and only offer that I have received for the stock. However, although the intention has been to sell the wine stock to VAL it has not made the necessary payment.

The rationale of the proposed sale to VAL as opposed to an alternative party, has been considered appropriate notwithstanding VAL's possible connection with Mr Rashid, after exhausting alternative avenues attempting to realise the stock.

I believe that am in a position to issue legal proceedings in the not too distant future in this case against the Director, Riccardo DeNardis ("RD"), for the reasons explained in the investigation section below.

The other main Director, Sultan Rashid ("SR"), has been made the subject of a Bankruptcy Order. I have submitted a claim in the bankruptcy of SR. It is understood that the main material realisations in the bankruptcy proceedings relate to the Trustee's realisation of a property in which SR appears to have an interest. Although initially my claim in the bankruptcy was disputed that no longer appears to be the case.

INVESTIGATIONS

As mentioned aforesaid I am under a general duty to realise the assets, but I am also under a duty to see what assets could or ought to have been available or discovered and thereby available to be realised. That is one of the purposes of undertaking investigations which will potentially benefit creditors by potentially assembling evidence capable of maximising realisations. There are other purposes behind undertaking investigations that do not necessarily provide the potential of a financial benefit to creditors, but which enable me to fulfil my statutory and regulatory obligations.

This section is split between my Initial Assessment to explain how matters have progressed into the prospect of litigation. The Initial Assessment has resulted in more detailed investigations given the facts of the case. As an enclosure to this report there is a chronology setting out how the investigations developed. Finally, I have in a "litigation" section set out the proposed claims to be brought in this matter against a former Director of the Company.

Initial Investigation and Strategy

As Liquidator, I undertook investigations into the Company's affairs which included a review of the financial information available and obtained further information from third parties.

During this review I undertook the following preliminary enquiries:

- Invited creditors to bring to my attention any particular matters which they considered requires investigation.
- Made enquiries of accountants, solicitors and other professionals who acted for the Company.
- Compared the OR's report to creditors with the last accounts in order to ascertain whether all significant assets could be identified and material movements in assets could be properly explained.

This review resulted in further investigation into aspects of the Company's financial affairs.

Although I have received various records from Mr Rashid the records provided appear incomplete.

I was aware at the outset of this case following a review of the Company's filed statutory annual accounts of a discrepancy in respect of the last accounts for the year ended 31 January 2017.

Further Investigations and Assessment

Year end 31 January 2017 Accounts

My initial investigations and assessment identified a potential inconsistency in that the last set of filed accounts for the Company resulted in two materially different sets of accounts for the year ended 31 January 2017 being filed at Companies House. The first set signed on 11 October 2017, refer to both directors, RD and SR having substantially overdrawn directors' loan accounts at the year end. RD was overdrawn in the sum £294,675 and SR was overdrawn in the sum £362,496.

A subsequent set for the same year end signed on 7 August 2018 at note 7 disclosed no overdrawn position for Directors. As a result of this I undertook a forensic review of the Company's accountants files from Knight Wheeler Limited, the Company's bank records, its books and records, interviews of both Mr DeNardis and Mr Rashid and sought information from Qubic Tax.

I have also had a meeting with one of the creditors and frequent contact from many other creditors who have been proactive in affording me information.

Litigation

As a result of the aforementioned investigations I have taken legal advice to advise me on the merits of bringing legal action against the Company's former Directors.

The strategy now therefore for this liquidation to effect material realisations is to bring legal proceedings against a former Director in respect of the director loan accounts.

A letter of claim was submitted by my instructed solicitors, Freeths to Mr Rashid and Mr DeNardis with reference to the Directors Loan Account accounts overdrawn by material sums that do not appear to have been repaid.

OUTSTANDING MATTERS

The investigations of the Company are a developing matter given I enter office as a stranger. A definitive list is impractical at this time but the following matters in the first instance appear to be outstanding:

1. Resolution of the wine stock sale.
2. Litigating the claims against the former Director, Riccardo DeNardis.
3. Observing the progression of the Company's claim in the bankruptcy of Sultan Rashid.

STATUTORY AND PROFESSIONAL COMPLIANCE

I am required to meet a considerable number of statutory and regulatory obligations. This work does not provide a direct financial benefit to creditors but is a necessary requirement of the liquidation process.

Whilst these tasks do not have a direct benefit in enhancing realisations for the Company, they assist in the efficient and compliant progression of the liquidation.

In order that creditors can have an informed understanding of these matters, they are listed below.

CREDITORS AND ESTIMATED RETURN

I am required, as Office-Holder, to undertake certain tasks in relation to creditors' claims. This work does not provide a direct financial benefit to the liquidation estate but is essential to the administration of the case.

Tasks in relation to creditors' claims

- Ensure that all creditors' claims are listed with the correct addresses and references and that the amount claimed correlates to the Statement of Affairs.
- Enter proof of debt forms/claims as and when they are received.
- Before paying a dividend, review the level of funds available and ensure that all costs and expenses have been paid in accordance with the rules of priority.
- Assignment of the right to dividend, where notice is given to the Office-Holder by a person entitled to a dividend that he wishes the dividend to be paid to another person.
- Deal with enquires from creditors.
- Adjudicate on claims.
- Declare and pay a dividend, if sufficient funds are available.

I have not adjudicated on any creditor claims as yet.

Estimated Return to Creditors: Dividend prospects are presently uncertain

TIME COSTS AND EXPENSES SUMMARY

Fees

The basis of the Office-Holder's remuneration has been fixed by Time and Expenses following creditor approval on 25/07/2019. The fee estimate that has been approved to date in this case is £100000.

The fee estimate is considered appropriate.

Time costs are recorded at the prevailing charge out rate of the member of staff on the date that the time is recorded. The current hourly rates applicable are:

Director £450, Manager £300, Senior Administrator £200

These rates are based inter alia on the level of skill and experience required to carry out the different tasks and prevailing market conditions and are subject to change. Oliver Elliot staff charge their time in 6 minute units. Oliver Elliot is currently a sole practitioner firm operated solely by the Office-Holder, who has since 1 July 2019 undertaken all of the case work. Certain tasks that might be considered not to require the skills of an Office-Holder have been identified and charged where appropriate at the Manager and Senior Administrator rate. All other work has been undertaken at the Director rate. This is considered to be a fair and reasonable approach in view of the speed, efficiency and experience that comes with having the Office-Holder undertaking all the case work.

Time Records

Enclosed are tables in simplified and detailed forms relating to my time costs for the period covered by this report and where this is not the first anniversary of my appointment, for my administration of the Company as a whole. It also provides details of the activity costs to date incurred by me and my staff, by grade, together with details of the hourly charge-out rates.

In the period covered by this report, my staff and I have recorded time costs of £52,187.80. I have drawn fees of £0 during the period covered by this report. These summaries include details of average hourly rates across categories of work and also shows breakdowns of my cumulative time costs. Due to the complexity of the case the average hourly rate is £385.15 which is due to the attention that the office-holder has had to give to the case.

Administration

The Administration time has involved matters pertaining to the tasks set out in the Administration section of this report. In particular a considerable amount of time was spent liaising with the Official Receiver and Opening this case as can be seen from the time costs in the detailed time and cost summary.

Asset Realisation

The tasks undertaken in relation to asset realisations have involved:

- time spent liaising with my instructed agents, Task Associates in respect of realisation of the wine inventory
- addressing my claim in the bankruptcy of Sultan Rashid which has been disputed
- liaising with the bonded warehouse seeking to deal with the Company's wine inventory
- engaged in attempts to realise the wine inventory
- instructing solicitors in relation to bring and drafting proceedings against the former Directors

Investigations

The investigations time has been spent in:

- review of the Company's records.
- gathering information from accountants and advisers instructed by the Company
- review of accounting information relating to the Directors overdrawn loan account position as shown in the initial set of filed accounts for the year ended 31 January 2017
- attendance at the public examination hearing run by the Official Receiver of Sultan Rashid
- Interview of the main Directors of the Company
- correspondence with creditors to seek to unscramble their trading account with the Company

Creditors

Throughout this case a considerable number of creditors have approached me for information to trace their wines and in seeking updates about the case more generally. In addition HMRC has contacted me in respect of its investigations into tax issues in this case. I have also been approached by a number of solicitors acting for creditors in this matter looking to help their clients with claims in the case.

A copy of the guide for creditors can be requested from my office and includes details on office holder remuneration and is available at the following link: www.oliverelliot.co.uk/statements-of-insolvency-practice/

In addition, creditors can find more information on the insolvency process at <http://www.creditorinsolvencyguide.co.uk/>.

Expenses

'Expenses' are amounts properly payable by the Office-Holder from the estate. These may include, but are not limited to, legal and agents' fees.

'Disbursements' are expenses met by the Office-Holder and reimbursed to the Office-Holder in connection with an insolvency appointment and will fall into two categories, category 1 and category 2. Where category 1 and category 2 disbursements are 'incurred' they will have been recorded but not necessarily paid by the Company. These expenses and disbursements incurred and or paid are as follows:

Expenses incurred to date total £209.04 during the Period and related to Secretary of State fees.

Category 1 disbursements incurred during the period of this report are £98.11 in respect of £10.00 for a Bond, £87.50 for Statutory Advertising and £0.61 for postage.

Category 2 disbursements of £0 have been drawn since my appointment.

The expenses incurred or expected to be incurred are likely to exceed, or have exceeded, the details given to the creditors prior to the determination of the basis of remuneration. This is considered by virtue of my instruction of Freeths LLP albeit on a contingency basis as explained below.

Unless referred to otherwise then solicitors and agents will be instructed on a contingency basis. Liability for costs will only crystallise upon a recovery being made. I will report further in due course in respect of any costs and disbursements incurred by my instructed solicitors, Freeths acting for me. They are instructed on a time costs basis subject to recoveries being available to discharge their fees as an expense of the Company.

I also instructed agents, Task Associates, to assist me in respect of attempted realisation of the Company's wine stock at the bonded warehouse. They were instructed on a contingency basis (subject to asset realisations). In the event of a successful realisation their time costs will be paid accordingly. I will report to creditors further in such an event.

NET FINANCIAL BENEFIT

The net financial benefit to the liquidation estate will currently mean that a return to creditors will depend upon realisations exceeding the current level of my time costs and other expenses of the liquidation as referred to above. At this time it appears uncertain as to the extent that there will be a net financial benefit sufficient to produce a return to creditors.

RECEIPTS AND PAYMENTS ACCOUNT

An account of my actual (not accrued) receipts and payments for the period of this report is enclosed. Expenses may be recharged to the estate as and when funds become available.

CREDITOR RIGHTS

If you are aware of any matters, which I should be aware of in relation to the Liquidation, please let me know.

Creditors' Rights to Challenge Office-Holder's Remuneration and Expenses

Within 21 days of the receipt of a progress report (secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or any unsecured creditor with the permission of the court) to request further information from me regarding my remuneration and expenses which have been detailed in a progress report.

Any creditor (secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or any unsecured creditor with the permission of the court) may within 8 weeks of receipt of progress report have a right to challenge my remuneration and expenses via application to Court on the grounds that the remuneration charged or the expenses incurred by me as set out in such a report are, in all the circumstances, excessive or, the basis fixed for remuneration is inappropriate.

These rights are set out in full at the following link: <https://www.oliverelliott.co.uk/creditors-rights/>

Adjudication of Creditors' Claims

Creditors who submit proof of debt will have their claims lodged within the liquidation but formal adjudication of the claims will not ordinarily be undertaken until there are funds available to enable me to discharge a dividend and a decision has been taken to declare an interim or final dividend. At such a time creditors will be notified accordingly.

Prescribed Part for Unsecured Creditors

Section 176A(1)(a) requires me as Office-Holder to set aside the prescribed part of the Company's net property for the satisfaction of unsecured debts. "Net property" means the amount which would, if it were not for this provision, be available to floating charge holders (i.e. after accounting for preferential debts and the cost of realisation). The prescribed part is 50% of the first £10,000 and 20% of the remaining net property (up to a maximum of £800,000).

As Office-Holder I will not be required to set aside the prescribed part if:

The net property is less than £10,000 and think that the cost of distributing the prescribed part would be disproportionate to the benefit;

Or if the net property is more than £10,000, if the provision is dis-applied by the court on the application of the Office-Holder on cost-benefit grounds.

Or if the charge was created before 15 September 2003.

I estimate that the Company's net property is £0.00 and accordingly I do not believe that Section 176A(3) of the Insolvency Act 1986 applies. Furthermore, I do not consider that Section 176A is applicable in this instance given the apparent absence of any floating charge holders.

The amount paid to unsecured creditors by virtue of Section 176A is £0.

Opting-out by Creditors

Creditors may opt out of receiving further documents relating to this matter.

The matter refers to Liquidation of the Company for which the Office-Holder is Elliot Harry Green of Oliver Elliot, Dephna House, 24/26 Arcadia Avenue, London, N3 2JU. Contact details for the Office-Holder is telephone number 020 3925 3613. When calling, please ask to speak to Elliot Green.

Any creditor has the right to elect to opt out of receiving further documents about this matter. However, this will not apply to any document that the Insolvency Act 1986 requires me to deliver to all creditors without excluding any of the opted-out creditors, it does not apply to any notice relating to any change (if applicable) of the Office-Holder and/or the Office-Holder's contact details if the document is a notice of a dividend or post dividend or notice which the Court orders to be sent to all creditors or all creditors of a particular category to which the creditor belongs.

If any creditor wishes to opt out, this will not affect their entitlement to receive dividends should any be paid to creditors. Save where the position set out in the Insolvency Rules 2016 provides otherwise, opting-out will not affect the right that any creditor may have to vote in a decision procedure or to participate in a deemed consent procedure. However, if a creditor opts out then in such circumstances they will not receive notification of such a procedure.

Please note that any creditor who opts out will be treated as having opted out in respect of any consecutive insolvency proceedings of a different kind in respect of the Company. If any creditor opts out but wishes to change their mind and revoke that position at any time of their choosing can do so.

The procedure by which a creditor may opt out and/or revoke their decision to opt out, must be by way of a notice in writing, authenticated and dated by the creditor and delivered to the Office-Holder. The effect of the notice in either event will come into effect when the notice is delivered to the Office-Holder.

STATUTORY AND COMPLIANCE INFORMATION

I am required to meet a considerable number of statutory and regulatory obligations. This work does not provide a direct financial benefit to creditors but is a necessary requirement of the Company administration process.

Whilst these tasks do not have a direct benefit in enhancing realisations for the Company, they assist in the efficient and compliant progression of the Company. In order that creditors can have an informed understanding of these matters, they are listed here.

Insolvent Estate information

- Insolvent Estate name: Twelve-By-Seventy-Five Limited
- Insolvent Estate Number: 08861273
- Registered Office: Dephna House, 24-26 Arcadia Avenue, London, N3 2JU
- Trading Address: Unit 7, Holts Court, Threshers Bush, Harlow, CM17 0NS
- Trading name: Twelve-By-Seventy-Five Limited
- Nature of business: Wine Traders
- Court name: High Court of Justice
- Court reference: 0010585 OF 2018
- Petitioning creditor: Stuart Reid Gregor Reid Shona Reid
- Former registered office: 54 Sun Street Waltham Abbey Essex EN9 1EJ
- Winding-up order: 30/01/2019

Office-Holder's details

- Name: Elliot Green
- IP number: 9260
- Name of firm: Oliver Elliot Chartered Accountants
- Firm's address: Depha House, 24/26 Arcadia Avenue, London, N3 2JU
- Date of Appointment: 14/05/2019

ADMINISTRATION

I am required, as Office-Holder, to undertake the following tasks (reference to the Official Receiver and the Court will apply only in case of Compulsory Liquidation not Creditors Voluntary Liquidations):

- On appointment, set the case up on our insolvency database and maintain and separately record all financial records on the case, including the recording of creditors and employees.
- Notify creditors of my appointment.
- When applicable return to the Official Receiver a signed undertaking to pay out of the first realisations of assets, both the balance currently appearing in their account and those monies, including fees, guarantees and advances paid by the Official Receiver, becoming due in future and payable under Insolvency Act 1986 and the IR 2016.
- Obtain a Specific Penalty bond for a sum equal to the Company's assets subject to the statutory provisions. This bond covers any losses to the estate for any possible fraud or dishonesty of the Office-Holder whether acting alone or in collusion with one or more persons and/or the fraud and dishonesty of any person committed with the connivance of the Office-Holder.
- To provide creditors with the opportunity to establish a Liquidation Committee when a decision procedure is required.
- If a Liquidation Committee is established prepare a certificate of constitution and hold the first Committee meeting.

- Obtain the Company's books and records.
- Establish whether the Company has an occupational pension scheme.
- Undertake bi-annual case reviews to ensure that the case is being progressed efficiently and in a timely manner.

Annual Statutory and Professional Compliance

In addition to the tasks identified above, each year I am required to undertake the following statutory tasks:

- Prepare and Issue an Annual Report to creditors.
- Statutory duties have been undertaken; consider any ethical, money laundering and Bribery Act 2010 issues pertaining to the case and ensure that any identified matters are addressed.
- Submit VAT returns to HM Revenue and Customs, to ensure that any VAT refunds or payments are received or paid.
- Submit annual Tax returns to HM Revenue and Customs.
- Maintain the case cash book, by undertaking ISA reconciliations.

Closing Statutory and Professional Compliance

After concluding all case related matters, I am required to:

- Prepare and submit a letter to HM Revenue and Customs requesting clearance to close the case.
- Reconcile the cash book ready for closure.
- Prepare and issue the Final Account to creditors.
- Send the final receipts and payments account where applicable to the Court, the Official Receiver and the Insolvency Service and confirmation that I have received my release.
- If the creditors have so resolved, obtain my release from the Secretary of State.
- When applicable obtain authorisation from the Official Receiver to destroy the books, papers and other records of the Company.
- Retain and store the liquidation records for a minimum of 6 years after the vacation of office.

QUALITY OF SERVICE, DATA PRIVACY AND CODE OF ETHICS

As I am an insolvency practitioner, by virtue of Statement of Insolvency Practice Number 1, which can be viewed here www.oliverelliot.co.uk/statements-of-insolvency-practice/ I should inform creditors that I am bound by the Insolvency Code of Ethics, which can also be viewed on the same link.

Our privacy policy explains the measures we take to protect your data and the legal basis for doing so. Please review our updated Privacy Policy on our website: <https://www.oliverelliot.co.uk/privacy-notice/>. If you have any queries please email the privacy officer at contact@oliverelliot.co.uk.

I am bound by Code of Ethics for Insolvency Practitioners when carrying out all professional work relating to insolvency appointments. Further the Institute of Chartered Accountants in England and Wales also has code of ethics that apply to Insolvency Practitioners which is applicable to me and which can be seen here: <https://www.icaew.com/-/media/corporate/files/members/regulations-standards-and-guidance/ethics/code-of-ethics-part-d-insolvency-practitioners-1-jan-2011.ashx?la=en>

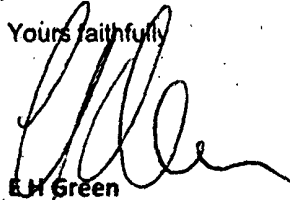
If you would like to make any comments, suggestions, raise a query or make a complaint about the service you have received, please contact me. On the firm's website there is a page which sets out its complaints procedures heading "Making a Complaint".

In the unfortunate event that it is not possible for Oliver Elliot to resolve your complaint, you can refer the complaint to The Insolvency Complaints Gateway, "www.gov.uk/complain-about-insolvency-practitioner".

NEXT REPORT

I will report again following the next anniversary of my appointment or sooner if the administration is complete.

Yours faithfully



E.H. Green
Liquidator

*Licensed by the Institute of Chartered Accountants in England & Wales
(Insolvency Practitioner Number 9260)*

Chronology of Investigations During the Period

During the Period I have posted on my firm's website a regular update giving an account as to the work undertaken and how my administration of the Company has progressed. This is largely reproduced below starting with the most recent update and working backwards in time.

Update: 11 February 2020

I instructed solicitors to apply for After the Event Insurance ("ATE") to enable legal proceedings to be brought against the Directors in relation to the position concerning their Directors' loan accounts and to seek compensation accordingly for the benefit of the Company and its creditors.

Update: 31 January 2020

I interviewed Sultan Rashid and received some records from him. Time has been spent by me reviewing those records. It would appear that most of the first tranche of records produced to me by Mr Rashid related to early periods of the Company's life.

I instructed an agent, Task Associates, on a contingency basis (the agent's time costs will be paid subject to recoveries being directly made from the instruction to realise property of the Company), to assist with attempts to realise the Company's wine stock. The task has been hampered by the stock being held in a bonded warehouse and access requires funds that the Company does not have available to it, to photograph the labels on the wines, so that the provenance of the wines can be determined.

I sought to request that the bonded warehouse does not fetter access to this stock of the Company so that the provenance of the wines listed on the stock records can be shown, making it potentially more marketable. Access to the wines on a largely unfettered basis is currently the subject of ongoing discussion with the bonded warehouse.

In the meantime Task Associates has continued its discussions with various parties based on the stock list provided by the bonded warehouse.

I have since the interview of Mr Rashid, received some further records from him. I have spent some considerable time reviewing those records. Although this has resulted in production of more up to date records, they still appear incomplete. Certain of the VAT records and bank statements for trading activities of the Company during 2018 appear largely unavailable. All of the Company's statutory books have also been requested. I have continued to request Sultan Rashid provides the same and such enquiries are continuing. I have also made various further enquiries of Mr Rashid in relation to transactions of the Company as a result of this review.

Mr Rashid has responded by indicating that further VAT records, statutory books and bank statements are not in his possession and may be with an accountant. Mr Rashid has however indicated that he still has the Company's "server" and that he will endeavour to hand this over.

I have discovered amongst the records, invoices to a former Bookkeeper of the Company. I have been in contact with this person to attempt to source further records, including but not limited to its Sage records so that the affairs of the Company during the period since the date of the last filed statutory accounts (31 January 2017) can be more fully, transparently understood and brought into some better order. It would

appear that the Bookkeeper provided to the Insolvency Service some Sage information. I have contacted the Insolvency Service to obtain the same.

Following up on enquiries from earlier review of the Company's information, I discovered that Mr Rashid had considered instructions to place the Company into Creditors Voluntary Liquidation ("CVL"). AABRS Limited ("AABRS") was appointed to undertake this work. Mr Rashid did not continue with those instructions and therefore the engagement of AABRS did not culminate in the Company being placed into CVL. I have now received records from AABRS ("the AABRS Records") and spent time reviewing the same.

It was revealed within the AABRS Records that the individual from AABRS coordinating the engagement at that time, appeared to note that Mr Rashid's Director's loan account was overdrawn. Further, it was also revealed that the Company appeared to have an unregulated hire purchase agreement ("the HP Agreement") with Aldermore in respect of a Lamborghini motor car. It is understood from the HP Agreement and my interview of Mr Rashid, that this was a car that was at one time at the disposal of the Company's Director, Sultan Rashid. I have been seeking clarification with Aldermore as to what happened to the Lamborghini.

I issued instructions to solicitors, Freeths LLP, who are instructed on a contingency basis whereby liability for their time costs does not crystallise unless and or until there are relevant realisations. Those instructions additional to addressing the overdrawn directors' loan accounts, has sought to unscramble matters pertaining to discoveries arising from review of the Company's latest records produced to me by Mr Rashid. Within the further records of the Company I discovered an invoice for a reasonably high value item typically deployed for the benefit of an individual and not a company. The matter is subject to further enquiry to consider the Company's interest in it, given the relevant invoice was discovered within a file of the Company's purchase invoices.

Update: 9 December 2019

I instructed my solicitors to assist with enquiries in relation to certain transactions, who have now written to the Company's former Directors accordingly. It appears that Mr Sultan Rashid ("SR") and Mr Riccardo De Nardis ("RD") operated a directors' loan account ("DLA") with the Company. It is further understood that the account was materially overdrawn.

It appears recorded in minutes of the board meeting held on 6 September 2017, the Company made available the sum totalling approximately £650,000 ("the Award Payments") to provide awards by way of improving the existing pension position of SR and RD. The Award Payments were made by way of a credit transaction to the DLA.

It further appears that a meeting was held on 8 November 2017. Recorded board minutes appear to outline a further transaction whereby the Company made payments in the sum of £370,000 ("the Pension Obligation Payments") to SR and RD for taking over the Company's existing pension obligations. It appears detailed in the board minutes on 8 November 2017 that the Pension Obligation Payments would be fulfilled by way of the Company recognising equivalent amounts as having been repaid to the DLA.

Update: 25 September 2019

I attended the Public Examination hearing of Sultan Rashid on 24 September 2019 at the Rolls Building in the High Court. The purpose was to enquire of Mr Rashid as to the nature of the Company's records that

were retained so that they could be identified and then upon discovery of those facts, make a further request for their delivery up.

Mr Rashid did not attend the hearing but the Judge indicated that he would order the delivery up of the Company's records.

Update: 13 September 2019

I have obtained the working papers of the Company's former accountants Knight Wheeler & Co. for the year ended 31 January 2017. Those working papers have been reviewed and include a Sage Nominal Ledger showing the Company's record of its transactions on its internal accounting system.

There appear to be certain material transactions involving the Directors recorded as dividends in the Sage records, relating to the accounts for the year ended 31 January 2017 that seem to warrant further review and consideration.

On Wednesday 11 September 2019 I held a meeting and interviewed Riccardo De Nardis. I found the meeting with Mr De Nardis to be useful and he was cooperative. Mr De Nardis has since promptly delivered up information in his possession that he acknowledged he still had.

Mr Sultan Rashid has yet to cooperate. I therefore instructed solicitors to consider what is known as a Section 236 Court application where Mr Rashid is concerned, to consider obtaining a Court Order for him to cooperate, to be examined and for a Production Order compelling him to deliver up to me all of the books, papers, data and records of the Company. As matters currently stand he has failed to cooperate.

I consider one of the key issues in this case is the situation concerning the Directors Loan Accounts which appeared significantly overdrawn when the initial 2017 accounts were published. The amended 2017 accounts show those loan accounts as not being overdrawn. This warrants further investigation.

I have instructed Freeths LLP to assist me with legal issues arising in this case. To date those instructions have largely been confined to matters of obtaining the Directors' cooperation and attendances me.

Update: 7 August 2019

I have sought a meeting with Sultan Rashid and hoping to meet him in due course.

I have been in touch with the bonded warehouse storing some stock of the Company. Notwithstanding contacting third parties I has been unable to obtain interest in this stock to enable it to be realised. An agent was instructed also to assist with the matter and this has also not enabled a realisation to be made.

I currently have no material primary books and records of the Company. Mr Rashid has recently attended on the Official Receiver and listed books and records as follows:

- 2015, 2016, 217 Accounts
- Stock list as of Feb 2019
- List of Creditors

These documents although limited have been produced to me by the Official Receiver. That appears to be a materially incomplete set of books and records for the Company. I will make further enquiries relating

to the same as it appears unsatisfactory on the face of matters in view of the records anticipated as required by a limited company registered in England and Wales.

Mr Rashid has informed the Official Receiver that Ricardo Denardis was a Director who left the business in 2017. However, Mr Rashid also suggested that Ricardo Denardis was responsible for the Company's accounting records. The anomaly arising as a result of this suggestion will be investigated.

The Company apparently according to Mr Rashid had Sage records.

Future updates will be provided at material junctures and in accordance with the annual statutory requirement for a Progress Report at each anniversary of the appointment of the Liquidator.

Twelve-By-Seventy-Five Limited Trading As: Twelve-By-Seventy-Five Limited
(In Liquidation)
Liquidator's Summary of Receipts and Payments.
To 13 May 2020

RECEIPTS

**Statement of
Affairs (£)**

Total (£)

0.00

PAYMENTS

Official Receiver's Fee
Secretary of State Fee

9,400.00
209.04

Net Receipts/(Payments)

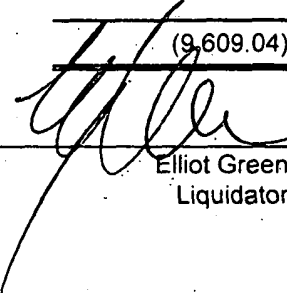
9,609.04
(9,609.04)

MADE UP AS FOLLOWS

ISA

(9,609.04)

(9,609.04)


Elliot Green
Liquidator

Time Entry - SIP9 Time & Cost Summary

EGR12 - Twelve-By-Seventy-Five Limited
All Post Appointment Project Codes
From: 14/05/2019 To: 13/05/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	9.20	0.00	0.00	18.10	27.30	6,676.40	244.56
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	20.70	0.00	0.00	3.60	24.30	8,759.80	360.49
Investigations	63.20	0.00	0.00	2.90	66.10	29,741.60	434.82
Realisations of Assets	17.80	0.00	0.00	0.00	17.80	8,010.00	450.00
Statutory Compliance	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	110.90	0.00	0.00	24.60	135.50	52,187.80	385.15
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Time Entry - Cumulative Detailed SIP9 Time & Cost Summary

EGR12 - Twelve-By-Seventy-Five Limited
From: 14/05/2019 To: 13/05/2020
All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Avg Hourly Rate (£)	Hours Cum (POST Only)	Time Costs Cum (POST Only)
101: Reviewing Incoming Correspondence	0.00	0.00	0.00	0.50	0.50	80.00	160.00	0.50	80.00
102: Telephone Calls	0.00	0.00	0.00	3.30	3.30	515.80	1546.30	3.30	515.80
103: Bank Reconciliations (D3)	0.00	0.00	0.00	0.40	0.40	64.00	160.00	0.40	64.00
106: General Correspondence	0.30	0.00	0.00	0.00	0.30	135.00	450.00	0.30	135.00
107: Case Opening (D3)	1.30	0.00	0.00	13.00	14.30	2,535.00	177.27	14.30	2,535.00
110: IPS Diary Update (D3)	0.30	0.00	0.00	0.10	0.40	151.00	377.50	0.40	151.00
111: Other	1.30	0.00	0.00	0.00	1.30	585.00	450.00	1.30	585.00
113: Our solicitors correspondence	0.60	0.00	0.00	0.00	0.60	270.00	450.00	0.60	270.00
116: Official Receiver correspondence	3.50	0.00	0.00	0.00	3.50	1,575.00	450.00	3.50	1,575.00
117: Internal Memo	0.30	0.00	0.00	0.00	0.30	135.00	450.00	0.30	135.00
118: Cashbook (D3) / Cashier / Cheque / Bank	0.50	0.00	0.00	0.00	0.50	200.00	400.00	0.50	200.00
119: Correspondence with Debtor/Director	0.10	0.00	0.00	0.20	0.30	77.00	256.67	0.30	77.00
121: Filing and Scanning (D3)	0.10	0.00	0.00	0.10	0.20	20.00	200.00	0.20	20.00
122: Fee Review (D2) and Reconciliation	0.20	0.00	0.00	0.00	0.20	60.00	300.00	0.20	60.00
124: Internal discussion	0.00	0.00	0.00	0.20	0.20	32.00	160.00	0.20	32.00
125: Corporation Tax Return (D2)	0.10	0.00	0.00	0.00	0.10	30.00	300.00	0.10	30.00
133: Specific Bond (D3)	0.80	0.00	0.00	0.00	0.80	170.00	283.33	0.80	170.00
136: Companies House (D3) Correspondence	0.00	0.00	0.00	0.40	0.40	41.60	104.00	0.40	41.60
Administration & Planning	9.20	0.00	0.00	18.10	27.30	6,676.40	244.58	27.30	6,676.40
501: Proofs Of Debt (D3)	1.60	0.00	0.00	0.20	1.80	352.00	195.56	1.80	352.00
503: Creditors Reports (D2)	2.10	0.00	0.00	0.70	2.80	772.00	275.71	2.80	772.00
504: Telephone (D2) - Calls With Creditors	2.80	0.00	0.00	0.20	3.10	890.80	287.35	3.10	890.80
505: Creditors Enquiries/Responses	11.90	0.00	0.00	2.50	14.40	5,755.00	399.65	14.40	5,755.00
506: Creditor Decisions Procedures	1.00	0.00	0.00	0.00	1.00	450.00	450.00	1.00	450.00
508: Other	0.40	0.00	0.00	0.00	0.40	180.00	450.00	0.40	180.00
512: Correspondence with creditors	0.80	0.00	0.00	0.00	0.80	360.00	450.00	0.80	360.00
Creditors	20.70	0.00	0.00	3.60	24.30	8,789.80	360.49	24.30	8,789.80
201: Correspondence With Banks	0.70	0.00	0.00	0.00	0.70	315.00	450.00	0.70	315.00
202: Correspondence With Solicitors	2.30	0.00	0.00	0.00	2.30	1,035.00	450.00	2.30	1,035.00
203: Correspondence With Accountants	9.80	0.00	0.00	1.80	11.70	4,942.20	396.77	11.70	4,942.20
204: Review Solicitors Files	0.60	0.00	0.00	0.00	0.60	270.00	450.00	0.60	270.00
205: Review Accountants Files	6.30	0.00	0.00	0.00	6.30	2,835.00	450.00	6.30	2,835.00
206: Review Company Records	3.50	0.00	0.00	0.00	3.50	1,575.00	450.00	3.50	1,575.00
209: Interview Company Directors	8.60	0.00	0.00	0.00	8.60	3,870.00	450.00	8.60	3,870.00
212: Conference With Counsel	0.10	0.00	0.00	0.00	0.10	45.00	450.00	0.10	45.00
213: Other	9.40	0.00	0.00	0.00	9.40	4,230.00	450.00	9.40	4,230.00
215: Our solicitors correspondence	1.70	0.00	0.00	0.00	1.70	765.00	450.00	1.70	765.00
216: Instructions to agents / valuers	0.40	0.00	0.00	0.00	0.40	180.00	450.00	0.40	180.00
217: Instructions to solicitors	4.90	0.00	0.00	0.00	4.90	2,205.00	450.00	4.90	2,205.00
218: Official Receiver correspondence	1.20	0.00	0.00	0.00	1.20	540.00	450.00	1.20	540.00
220: Correspondence with Debtor / Director	2.20	0.00	0.00	0.40	2.60	1,031.80	396.77	2.60	1,031.80
221: Telephone Calls	3.30	0.00	0.00	0.00	3.30	1,485.00	450.00	3.30	1,485.00
226: Enquiry and Investigation Correspondence	5.70	0.00	0.00	0.70	6.40	2,837.80	412.16	6.40	2,837.80
236: Administrator Instruction on Investigation M&A	0.00	0.00	0.00	0.00	0.20	90.00	450.00	0.20	90.00
237: Agent Investigation	1.90	0.00	0.00	0.00	1.90	855.00	450.00	1.90	855.00
242: Correspondence with Agents	0.30	0.00	0.00	0.00	0.30	135.00	450.00	0.30	135.00
Investigations	63.20	0.00	0.00	2.90	66.10	28,741.60	434.82	66.10	28,741.60
Page 1 of 2	3.80	0.00	0.00	0.00	3.80	1,710.00	450.00	3.80	1,710.00

Version 15-03-18

14 May 2020 19:14

Time Entry - Cumulative Detailed SIP9 Time & Cost Summary

EGR12 - Twelve-By-Seventy-Five Limited
From: 14/05/2019 To: 13/05/2020
All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Avg Hourly Rate (£)	Hours Cum (POST Only)	Time Costs Cum (POST Only)
302 : Telephone Calls in Agents	1.80	0.00	0.00	0.00	1.80	810.00	450.00	1.80	810.00
308 : Other	7.10	0.00	0.00	0.00	7.10	3,195.00	450.00	7.10	3,195.00
310 : Our solicitors correspondence	1.80	0.00	0.00	0.00	1.80	810.00	450.00	1.80	810.00
311 : Instructions to agents / valuers	0.50	0.00	0.00	0.00	0.50	225.00	450.00	0.50	225.00
312 : Instructions to solicitors	1.70	0.00	0.00	0.00	1.70	765.00	450.00	1.70	765.00
319 : Bank Debt recovery	0.60	0.00	0.00	0.00	0.60	270.00	450.00	0.60	270.00
325 : Correspondence with other Trustees/Liquidators	0.00	0.00	0.00	0.00	0.10	45.00	450.00	0.10	45.00
329 : ATE application	0.40	0.00	0.00	0.00	0.40	180.00	450.00	0.40	180.00
Realizations of Assets	17.80	0.00	0.00	0.00	17.80	8,010.00	450.00	17.80	8,010.00
Total Hours	110.90	0.00	0.00	24.60	135.50	52,187.80	385.15	135.50	52,187.80
Total Fees Claimed						0.00			

** - Denotes codes included in cumulative data that are not present in the period.