

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

<b>1</b>	<b>Company details</b>		<b>→ Filling in this form</b> Please complete in typescript or in bold black capitals.
Company number	1 0 7 5 0 2 9 6		
Company name in full	HOME DESIGN INTERNATIONAL LIMITED		
<b>2</b>	<b>Liquidator's name</b>		
Full forename(s)	STEVEN GEORGE		
Surname	HODGSON		
<b>3</b>	<b>Liquidator's address</b>		
Building name/number	VICARAGE CHAMBERS		
Street	9 PARK SQUARE EAST		
Post town	LEEDS		
County/Region	WEST YORKSHIRE		
Postcode	L S 1 2 L H		
Country			
<b>4</b>	<b>Liquidator's name <sup>①</sup></b>		<b>① Other liquidator</b> Use this section to tell us about another liquidator.
Full forename(s)	CHRISTOPHER		
Surname	WOOD		
<b>5</b>	<b>Liquidator's address <sup>②</sup></b>		<b>② Other liquidator</b> Use this section to tell us about another liquidator.
Building name/number	VICARAGE CHAMBERS		
Street	9 PARK SQUARE EAST		
Post town	LEEDS		
County/Region	WEST YORKSHIRE		
Postcode	L S 1 2 L H		
Country			

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### 6 Period of progress report

From date	d 1	d 7	m 1	m 2	y 2	y 0	y 2	y 1	
To date	d 1	d 6	m 1	m 2	y 2	y 0	y 2	y 2	

### 7 Progress report

☒ The progress report is attached

### 8 Sign and date

Liquidator's signature	Signature		X						
Signature date	d 1	d 3	m 0	m 2	y 2	y 0	y 2	y 3	

LIQ03

## Notice of progress report in voluntary winding up

**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	EMMA WILBY				
Company name	CLOUGH CORPORATE SOLUTIONS				
	LIMITED				
Address	VICARAGE CHAMBERS				
	9 PARK SQUARE EAST				
Post town	LEEDS				
County/Region	WEST YORKSHIRE				
Postcode	L	S	1	2	L H
Country					
DX					
Telephone	0333 456 0078				

**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

# **HOME DESIGN INTERNATIONAL LIMITED (IN LIQUIDATION)**

Annual Progress Report to Creditors pursuant to  
Section 104A of the Insolvency Act 1986 and Rules 18.3, 18.4  
and 18.7 of the Insolvency (England and Wales) Rules 2016

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Private & Confidential

(This Report is for use by the Members and Creditors of the Company only and must not be published or provided to any other party without the written permission of Clough Corporate Solutions Limited)

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Clough Corporate Solutions Limited  
Vicarage Chambers  
9 Park Square East  
Leeds  
West Yorkshire  
LS1 2LH

13 February 2023

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- 1) Receipts and Payments account for the period 17 December 2020 to 16 December 2022
- 2) Analysis of time costs for the period 17 December 2020 to 16 December 2022
- 3) Statement of Expenses for the period 17 December 2020 to 16 December 2022
- 4) Joint Liquidators' charge out rates and expenses policy

## **STATUTORY INFORMATION**

Company Name:	Home Design International Limited
Registered Number:	10750296
Registered Office:	c/o Clough Corporate Solutions Limited, Vicarage Chambers, 9 Park Square East, Leeds, West Yorkshire, LS1 2LH
Former Registered Office:	18 The Ropewalk, Nottingham, Nottinghamshire, NG1 5DT
Former Trading Address:	Accu House, 1 Sanvey Gate, Leicester, Leicestershire, LE1 4EP
Joint Liquidators' Names:	Steven George Hodgson Christopher Wood
Joint Liquidators' Firm:	Clough Corporate Solutions Limited
Joint Liquidators' Address:	Vicarage Chambers, 9 Park Square East, Leeds, West Yorkshire, LS1 2LH
Date of Appointment:	17 December 2020
Period of Report:	17 December 2021 to 16 December 2022

## **INTRODUCTION**

The purpose of this report is to detail the acts and dealings of the Joint Liquidators of Home Design International Limited ("the Company"), company number 10750296, for the period 17 December 2021 to 16 December 2022. This is the second annual progress report in this matter, and it should be read in conjunction with previous correspondence to creditors.

## **BACKGROUND**

Christopher Wood and I were appointed as Joint Liquidators on 17 December 2020, following a meeting of the members and a creditors' deemed consent decision procedure.

The Company's former registered office was 18 The Ropewalk, Nottingham, Nottinghamshire, NG1 5DT and this was changed to the address of this firm on 24 December 2020. The registered office was then changed following my firm's relocation in August 2022. The Company traded from Accu House, 1 Sanvey Gate, Leicester, Leicestershire, LE1 4EP.

The Company's principal activity was as a furniture retailer.

## ASSET REALISATIONS

According to the Statement of Affairs lodged in these proceedings, the assets of the Company had an estimated value of £7,200, which comprised of the following:

Assets	Estimated to Realise as per Statement of Affairs £	Realised – As Previously Reported £	Realised – 17 December 2021 to 16 December 2022 £	Estimated Further Realisations £
Cash in Hand	7,200.00	7,200.00	NIL	NIL
Intercompany Loan Account	NIL	NIL	NIL	Unknown
<b>Totals</b>	<b>7,200.00</b>	<b>7,200.00</b>	<b>NIL</b>	<b>Unknown</b>

Below are details of assets realised and progress made in the period of this report, as well as any assets still to be realised.

### Intercompany Loan Account

During the Joint Liquidators' investigations into the financial affairs of the Company it transpired that there had been an intercompany loan account with P N Home Limited, a company which is also in Liquidation.

The Joint Liquidators contacted the Liquidators of P N Home Limited who confirmed that the directors of the Company had previously submitted a proof of debt form in the Liquidation of P N Home Limited in the sum of £146,533.16.

As the amount on the Company's accounting system did not match the amount claimed by the Company in the Liquidation of P N Home Limited, the Joint Liquidators sought further information in this regard from the directors and former accountant of the Company.

Once all relevant information was received, the Joint Liquidators instructed Blacks Solicitors LLP of Leeds to review the level of claim submitted against the Company's accounting records and information provided in order to advise on the correct amount to be claimed.

Blacks Solicitors LLP confirmed that the unsecured claim of £146,533.16 previously submitted by the Company in the Liquidation of P N Home Limited was the correct amount.

A Notice of Intended Dividend in relation to a dividend payment to unsecured creditors of P N Home Limited was advertised in the London Gazette on 16 November 2022, giving a deadline for claims as 7 December 2022.

A first and final dividend of 10.59 pence in the pound was declared and paid to unsecured creditors on 17 January 2023, with the sum of £15,517.04 being received. As this payment was received after the period of this report, it is not reflected within the Receipt and Payments Account at Appendix 1.

## RELATED PARTY TRANSACTIONS

Since the date of the board meeting on 1 December 2020, at which it was resolved that the Company should be placed into Liquidation, the following related party transaction has taken place.

- **The date of transaction:** 4 December 2020
- **Details of the assets involved and the nature of the transaction:** Stock and Goodwill. Stock includes “flat pack furniture”, comprised of various bed frames, chairs, tables, bedside cabinets, wardrobes etc.. and “goodwill” includes website address, customer list and telephone numbers etc..
- **The consideration for the transaction and when it was paid:** £6,000 plus VAT paid in full on 4 December 2020. The apportionment of the sale is £5,750 for the stock and £250 for the goodwill.
- **The name of the counterparty:** Paramount Imports Limited (Company Number: 12404726).
- **The nature of the counterparty’s connected party relationship with the vendor:** Mr Prabhat Rai was a director of Paramount Imports Limited until his resignation on 18 March 2020.
- **If the transaction took place before the appointment of the member as office holder, the name of any adviser to the vendor:** The Company’s assets were professionally valued by Mark Hodgson of Michael Steel & Co (Plant & Machinery) Limited, Leeds who are independent valuers, members of The Royal Institute of Chartered Surveyors and are professionally qualified to carry out such valuation work and hold adequate professional indemnity insurance. The assets were professionally valued on 30 November 2020.
- **Whether the purchaser and (if the transaction took place before the appointment of the member as office holder) the vendor were independently advised:** It is not known whether the Purchaser was independently advised; however, the purchaser has experience in this industry sector and are qualified to make decisions relating to the purchase of the company’s assets for £6,000 plus VAT.
- **Where the transaction took place before the commencement of insolvency, the scope of the office holder’s investigation and the conclusion reached:** Steven Hodgson of Clough Corporate Solutions Limited has had sight of the professional valuation of the assets and is satisfied that the transaction was carried out at a fair value and, with the agent’s assistance and advice, at arms-length.

## INVESTIGATIONS

The Joint Liquidators carried out an initial review of the Company’s affairs in the period prior to appointment. This included seeking information and explanations from the directors by means of questionnaires; making enquiries of the Company’s accountants; reviewing information received from creditors; and collecting and examining the Company’s bank statements, accounts and other records.

The directors provided the books and records and a completed questionnaire as well as a Statement of Affairs.



The information gleaned from this process enabled the Joint Liquidators to meet their statutory duty to submit a confidential report on the conduct of the directors (past and present) to the Department for Business, Energy and Industrial Strategy (formerly Department for Business, Innovation and Skills) on 2 March 2021.

This work was also carried out with the objective of making an initial assessment of whether there were any matters that may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

This initial assessment revealed matters that the Joint Liquidators considered merited further investigation, namely the intercompany loan account detailed earlier in this report.

Although this work has not generated any financial benefit to creditors, it was necessary to meet the statutory duties as well as conduct appropriate enquiries and investigations into potential rights of actions to enhance realisations.

## **CREDITORS CLAIMS**

A creditor's guide to insolvency can be found at [www.creditorinsolvencyguide.co.uk](http://www.creditorinsolvencyguide.co.uk).

### **Secured Creditors**

There are no secured creditors in this matter.

### **Preferential Creditors**

The preferential creditors as per the Statement of Affairs totalled £40,988 and are in relation to monies owed to HM Revenue and Customs.

The former employees of the Company had been transferred under the TUPE regulations and therefore no claims have been received from them or The Insolvency Service (Department of Employment).

### **Unsecured Creditors**

The unsecured creditors, as per the Statement of Affairs totalled £4,082,595. Numerous proof of debt forms have been received from unsecured creditors which total £2,111,561.62 and the details have been noted on my files.

Of the claims received the only claim which is materially different to the value included on the Statement of Affairs is that from the Direction Generale Des Finances Publiques which was shown on the Statement of Affairs for £1,627,036; however, the claim received from them is in the sum of £1,787,314.72.

The above difference has not yet been reviewed as it is not anticipated that there will be sufficient realisations to enable a dividend to the unsecured creditors.

## **DIVIDEND PROSPECTS**

Pursuant to Section 176A of the Insolvency Act 1986 where a floating charge is created on or after 15 September 2003 a prescribed part of the Company's net property shall be made available to unsecured creditors. As there was no floating charge in this matter, a prescribed part calculation is not appropriate.

Unfortunately, there will be insufficient realisations in this case to permit paying a dividend to any class of creditor.

## **COSTS AND EXPENSES**

The payments shown on the summary of the Receipts and Payments at Appendix 1 are in the main self-explanatory, however I would comment as follows:

### **Pre-Appointment Costs**

A fixed fee of £6,250 plus VAT was agreed and paid by a third party, Paramount Imports Limited, prior to the Decision Procedure on 17 December 2020 and therefore is not reflected on the Receipts and Payments Account at Appendix 1 or the Statement of Expenses at Appendix 3.

Paramount Imports Limited is the purchaser who bought the Company's assets prior to Liquidation as detailed earlier in this report. The two companies are both part owned by Prabhat Rai who is also a director of the Company and former director of Paramount Imports Limited.

### **Joint Liquidators' Remuneration**

The Joint Liquidators have drawn remuneration in relation to this assignment as authorised by creditors by way of a creditors' decision procedure (By Correspondence) on 19 March 2021 in accordance with the following resolution:

"That the Joint Liquidators are authorised to draw their remuneration on a fixed fee basis to be drawn from time to time as funds permit and at their discretion, restricted to the fee estimate of £12,500 plus VAT."

Detailed notes to the fee estimate were circulated with the notice of creditors' decision procedure (By Correspondence) on 3 March 2021.

During the period 17 December 2021 to 16 December 2022, the Joint Liquidators have incurred time costs of £3,385.50 representing 16.30 hours at an average hourly rate of £207.70.

The total time costs incurred by the Joint Liquidators during the period of their appointment amount to £16,950.50 representing 76.50 hours at an average hourly rate of £221.58. The sum of £5,000 has been drawn on account of time costs incurred.

The estimate for the Joint Liquidators fees and expenses was for a fixed fee of £12,500 and did not include legal fees as at the time the fee estimate was prepared, and approval sought, the intercompany loan account and amount owed by P N Home Limited was not known.

The Joint Liquidators have incurred costs above those anticipated within the fee estimate due to the identification of the claim in the Liquidation of P N Home Limited, detailed earlier in this report and will be issuing a request to creditors in due course to increase the agreed fee in line with the time costs already incurred, and those anticipated to closure.

A breakdown of time costs incurred during the period, in accordance with Statement of Insolvency Practice 9, is set out in Appendix 2 to this report.

### **Joint Liquidators' Expenses**

The Joint Liquidators have recovered expenses that may include an element of overhead charges in accordance with the resolution passed by creditors by way of a creditors' decision procedure (By Correspondence) on 19 March 2021. The basis of calculation of this category of expense was disclosed to creditors prior to the resolution being passed.

For the period 17 December 2021 to 16 December 2022, the Joint Liquidators have not billed or been paid any expenses.

The total expenses billed and paid by the Joint Liquidators in dealing with the assignment are £388.38 plus VAT, £90.58 of which are in relation to category 2 expenses.

The Joint Liquidators have also incurred unbilled expenses of £22.84, all of which relate to category 2 expenses, and I will look to recover these when raising my final fee note.

### **Legal Fees**

Blacks Solicitors LLP of Leeds were instructed as legal advisors in relation to the reviewing the level of the intercompany loan account with P N Home Limited. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT.

They have incurred total costs in relation to this assignment of £3,975 plus VAT and it is anticipated these costs will be paid in full.

A breakdown of costs and expenses incurred in the period, irrespective of whether they have been paid or not, is included at Appendix 3 to this report.

## **CONCLUSION**


The Joint Liquidators shall continue the administration of the Liquidation and hope to finalise the outstanding matters that are preventing this case from being closed being, the realisation of the intercompany loan account detailed earlier in this report.

Creditors and members have the right to request further information from the Joint Liquidators under Rule 18.9 of the Insolvency (England and Wales) Rules 2016 and also have the right to challenge their remuneration and expenses as Joint Liquidators under Rule 18.34 of the Insolvency (England and Wales) Rules 2016 following receipt of a progress report. Further details of these rights can be found in the Creditors Guide to Fees which are available at:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>

Alternatively, a hard copy of the relevant guide will be sent to you free of charge on request. Please note there is a time limit for requesting information of 21 days following receipt of this progress report. There is a time limit of 8 weeks following receipt of this report for a Court application that the Joint Liquidators remuneration or expenses are excessive.

Please note that the Joint Liquidators are bound by the insolvency code of ethics, creditors are entitled to request details of any threats identified to compliance with the fundamental principles and safeguards applied. Any such requests should be made in writing to this office.

  
**Steven George Hodgson**  
Joint Liquidator



**Home Design International Limited (In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

**From 17 December 2020 to 16 December 2022**

<b>Statement of Affairs £</b>	<b>As Previously Reported</b>	<b>17 December 2021 to 16 December 2022</b>	<b>Total £</b>
<b>RECEIPTS</b>			
7,200.00 Cash in hand	7,200.00	NIL	7,200.00
7,200.00	7,200.00	NIL	7,200.00
<b>PAYMENTS</b>			
Liquidators Remuneration	(5,000.00)	NIL	(5,000.00)
Statutory Advertising	(157.80)	NIL	(157.80)
Computer System Disbursement	(110.00)	NIL	(110.00)
Specific Bond	(30.00)	NIL	(30.00)
Postage & Photocopying	(90.58)	NIL	(90.58)
	(5,388.38)	NIL	(5,388.38)
<b>CASH IN HAND</b>			
	1,811.62	NIL	1,811.62
<b>REPRESENTED BY</b>			
Current Account	1,811.62	NIL	1,811.62
	1,811.62	NIL	1,811.62



**Joint Liquidators' Remuneration Schedule  
Home Design International Limited  
Between 17 December 2021 and 16 December 2022**

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Admin, Planning, Statutory Reporting & Compliance	2.20	5.30	1.20	5.50	14.20	2,977.50	209.68
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.30	0.80	0.00	1.10	218.00	198.18
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	1.00	0.00	1.00	190.00	190.00
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
General Advice	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Appointment - Obtaining Information	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total hours</b>	2.20	5.60	3.00	5.50	16.30		
<b>Time costs</b>	737.00	1,336.00	570.00	742.50		3,385.50	
<b>Average hourly rate</b>	335.00	238.57	190.00	135.00			207.70

**Summary of Fees**

Time spent in administering the Assignment	Hours	16.30
Total value of time spent to 16 December 2022	£	3,385.50

**Joint Liquidators' Remuneration Schedule  
Home Design International Limited  
Between 17 December 2020 and 16 December 2022**

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Admin, Planning, Statutory Reporting & Compliance	8.20	12.00	10.30	15.50	46.00	9,735.50	211.64
Investigations	6.50	12.20	1.20	1.60	21.50	5,426.50	252.40
Realisation of Assets	0.30	0.30	3.10	0.00	3.70	755.50	204.19
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.30	1.70	0.90	2.90	510.00	175.86
Case Specific Matters	0.00	0.90	1.50	0.00	2.40	523.00	217.92
General Advice	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Appointment - Obtaining Information	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total hours</b>	15.00	25.70	17.80	18.00	76.50		
<b>Time costs</b>	5,025.00	6,190.00	3,382.00	2,353.50		16,950.50	
<b>Average hourly rate</b>	335.00	240.86	190.00	130.75			221.58

**Summary of Fees**

Time spent in administering the Assignment	Hours	76.50
Total value of time spent to 16 December 2022	£	16,950.50
Total Joint Liquidators' fees charged to 16 December 2022	£	5,000.00





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Corporate  
Solutions

**APPENDIX 3**  
**Statement of Expenses**

HOME DESIGN INTERNATIONAL LIMITED (IN LIQUIDATION)  
STATEMENT OF EXPENSES FOR THE PERIOD 17 DECEMBER 2020 TO 16 DECEMBER 2022

Expenses	Provider	Total paid at date of report (as per R&P) £	Costs incurred but not paid at date of report £	Total Expenses since appointment £	Total Expenses as previously reported £	Total Expenses for the period of this report £
Joint Liquidators' Remuneration	Clough Corporate Solutions Limited	5,000.00	11,950.50	16,950.50	13,565.00	3,385.50
Joint Liquidators' Category 2 Expenses	Clough Corporate Solutions Limited	90.58	22.84	113.42	107.42	6.00
Legal Fees	Blacks Solicitors LLP	0.00	3,975.00	3,975.00	1,875.00	2,100.00
Statutory Advertising	Courts Advertising Limited	157.80	0.00	157.80	157.80	0.00
Computer System Disbursement	Aryza UK Limited	110.00	0.00	110.00	110.00	0.00
Specific Bond	Aon UK Limited	30.00	0.00	30.00	30.00	0.00
<b>Total</b>		<b>5,388.38</b>	<b>15,948.34</b>	<b>21,336.72</b>	<b>15,845.22</b>	<b>5,491.50</b>

**Note**

As the Statement of Affairs Fee was paid by a third party prior to the Joint Liquidators appointment this is not reflected on the Receipts and Payments Account at Appendix 1 or on this schedule



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**APPENDIX 4**  
**Joint Liquidators' Charge Out Rates and Expenses Policy**

## Office Holder's charging and expense policy from 1 June 2022

The Office Holder's remuneration is charged by reference to the time properly given by the Office Holder and his staff in attending to matters arising and is charged in minimum time units of 6 minutes.

It is the Office Holder's policy to delegate tasks to appropriate members of staff considering their level of experience and any requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or the Office Holder himself.

Set out below are the relevant charge-out rates per hour worked for the Office Holder's staff actually or likely to be involved on these assignments. Time is charged by reference to actual work carried out on the assignment. There has been no allocation of any general costs or overhead costs.

Grade	£ per hour
Partner	305 - 335
Senior Manager	260 - 300
Manager	200 - 240
Executive	190
Analyst	155
Administration/Secretarial	50 - 135

In common with all professional firms, the scale rates used by the Office Holder may periodically rise (for example to cover annual inflationary cost increases) over the period of the assignment. Any material amendments to these rates will be advised to the creditors and any creditors' committee in the next statutory report.

The Office Holder's firm's expenses policy allows for all properly incurred expenses to be recharged to the case. The policy relating to Category 2 expenses is as follows:

### Category 2 expenses

<b>Postage</b>	At cost – only charged for circulars to creditors or exceptional packages
<b>Storage</b>	At £0.50 per box per month
<b>Photocopying</b>	At 5 pence per side copied, only charged for circulars to creditors and exceptional amounts of copying
<b>Mileage</b>	At a maximum of 50 pence per mile (up to 2,000cc) or 70 pence per mile (over 2,000cc)
<b>Staff expenses</b>	These are only charged as they relate to the assignment and will generally be for subsistence or items charged at cost