

CVA4

Notice of termination or full implementation of voluntary arrangement



Companies House

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

1 Company details

Company number	0	3	0	8	6	8	1	4
Company name in full	French Sole (Marylebone) Ltd - Formerly K/A French Sole Limited							

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

2 Supervisor's name

Full forename(s)	Martin
Surname	Halligan

3 Supervisor's address

Building name/number	Wentworth House
Street	122 New Road Side
Post town	Horsforth
County/Region	Leeds
Postcode	L S 1 8 4 Q B
Country	

4 Supervisor's name ^①

Full forename(s)	
Surname	

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

5 Supervisor's address ^②

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

② Other supervisor
Use this section to tell us about
another supervisor.

CVA4

Notice of termination or full implementation of voluntary arrangement

6 Date voluntary arrangement fully implemented or terminated

Date

d	d	m	m	y	y	y	y
0	9	0	9	2	0	2	1

7 Attachments

- ☒ I have attached a copy of the notice to creditors
☒ I have attached the supervisor's report

8 Sign and date

Supervisor's signature

Supervisor's signature

X



X

Signature date

d	d	m	m	y	y	y	y
2	7	0	9	2	0	2	1

CVA4

Notice of termination or full implementation of voluntary arrangement



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 **Rhys Wordsworth**

Company name **Live Recoveries Limited**

Address **Wentworth House**

122 New Road Side

Post town **Horsforth**

County/Region **Leeds**

Postcode **L S 1 8 4 Q B**

Country

DX

Telephone **0113 258 5290**



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 and dated the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



Live Recoveries

Helping You Navigate Recovery And Insolvency

FRENCH SOLE (MARYLEBONE) LIMITED – IN A COMPANY VOLUNTARY ARRANGEMENT

In the High Court of Justice, The Business and Property Courts in Leeds Number 107 of 2020 of

Company Number: 03086814

Registered Office: c/o Live Recoveries, Wentworth House, 122 New Road Side, Horsforth, Leeds, LS18 4QB

Trading Address: 61 Marylebone Lane, London, W1U 2PA

Supervisor's Final Account to Members and Creditors

Report Dated: 27 September 2021

Martin Paul Halligan appointed Supervisor on 7 February 2020

Live Recoveries

Wentworth House | 122 New Road Side | Horsforth | Leeds | LS18 4QB

Tel: 0113 258 5290

Email: mail@liverecoveries.com Web: www.liverecoveries.co.uk

Martin Halligan & David Cockshott are licensed in the United Kingdom to act as Insolvency Practitioners by the Insolvency Practitioners Association. Insolvency Practitioners acting as Administrators or Administrative Receivers contract as agents without personal liability.

Live Recoveries is a trading style of Live Recoveries Limited. Registered Office as above.
Incorporated in England and Wales. Company Registration No. 07561994

**FRENCH SOLE (MARYLEBONE) LTD (“the Company”)
IN A COMPANY VOLUNTARY ARRANGEMENT (“the Arrangement”)
(Known as French Sole Holdings Ltd. from 13 May 2021 to 05 August 2021)
(Known as French Sole London Ltd from 10 May 2021 to 13 May 2021)
(Known as French Sole Limited from 25 August 1995 to 10 May 2021)**

INTRODUCTION

The Arrangement was approved on 7 February 2020 and I was appointed as the Supervisor.

The Company is in breach of the Arrangement because it has failed to meet the ongoing liabilities of the Company and I have received information from two creditors in this regard. As a result, a Notice of Breach was issued on 08 July 2021. The Company failed to remedy the breach and as a result I terminated the Arrangement on 9 September 2021. I enclose a Notice of Termination.

Creditors are no longer bound by the terms of the Arrangement and so are free to take action against the Company to recover their debts.

CHANGE OF NAME

Creditors will recall that upon instruction and appointment, the Company was known as ‘French Sole Limited’ per the records held at Companies House. The following name changes were made by the management of the Company during the course of the Arrangement without such information being provided to this office:-

- On 10 May 2021 – Name changed from French Sole Limited to French Sole London Ltd
- On 13 May 2021 – Name change from French Sole London Ltd to French Sole Holdings Ltd.
- On 05 August 2021 – Name changed from French Sole Holdings Ltd. to French Sole (Marylebone) Ltd

RECEIPTS AND PAYMENTS

Attached at Appendix I is my receipts and payments account for the whole of the Arrangement, together with the period since the last progress report, which has been reconciled against the financial records I am required to maintain.

All amounts are shown net of VAT.

The funds were held in an interest bearing estate bank account.

ARRANGEMENT ASSETS AND LIABILITIES

Voluntary Contributions

Under the terms of the Arrangement, the Company was scheduled to make 60 consecutive monthly payments of £2,500, rising as reviews allowed. The Company actually made 5 monthly contributions, totalling £12,500. The Proposal the Company was scheduled to make monthly contributions of £2,500 for a period of 60 months (totalling £150,000).

The Company has made contributions totalling £12,500.

Creditors will note that the monthly contributions are 14 months in arrears. The Company failed to make the monthly contributions in line with the Proposal. Creditors will recall that due to the COVID-19 pandemic and the nature of the business, namely a high-end fashion shoe shop in central London, discretion was considered and approved by myself to allow an informal contribution free period, which was due to be added to the end of the Arrangement.

I initially agreed to a 3 month period of non-payment, namely August 2020 – October 2020, however, this period was extended due to the lockdown restrictions imposed as at 05 November 2020 for a further 3 months, namely November 2020 – January 2021.

At this time, the Company detailed that due to the location of the shop and the lack of footfall in central London that the Company would struggle to re-commence payments under the terms of the Arrangement. Communication continued and I requested details of trade for the period 12 April 2021 – 31 May 2021 and a revised cashflow forecast for the following 6 months, which was provided in June 2021. At this time, I considered the information provided and on 02 June 2021 I issued a notice of breach advising that the Company had 21 days in which to remedy the breach. A response was received on 22 June 2021 setting out a proposed variation to the terms of the Arrangement, however, at this time further breaches had been identified which required addressing.

In June 2021, I received communication from HM Revenue & Customs (“HMRC”) detailing that the Company had failed to make any of the payments against the PAYE/NIC since the Arrangement was approved. Therefore, on 08 July 2021, a further notice of breach was issued to the Company in respect of clause 42 of the Company’s proposal, namely ‘*All Statutory Accounts and payments due to HMRC post approval shall be provided on or before the due date*’. The revised notice of breach provided 60 days in which the Company was to respond. Although the Company had set out a proposed variation in regard to the Company’s failure to make

the consecutive monthly payments, it was considered that putting such proposal to creditors would not be appropriate given the further breach.

The Arrangement has been terminated as the Company failed to remedy the breach of 08 July 2021.

Other Receipts

Following an application for a Business Support Grant, the sum of £10,000 was paid into the estate account held for the purposes of the Arrangement.

I considered that such payment may be a windfall, in accordance with Clause 34 of the Arrangement, and sought legal opinion in regard to the same. The legal advice provided determined that £5,000 of the £10,000 would be applied against the arrears and that the remaining £5,000 would be retained as a windfall.

Creditors are advised that the £5,000 applied against contributions is included in the £12,500 detailed under the heading *Voluntary Contributions*.

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, discloses that the Company has:

- Fixed & Floating Charge in favour of Castle Business Finance Limited – Created on 21 October 2017 and delivered on 31 October 2017 – Understood to have been settled by way of converting to personal loan serviced by the shareholder.
- Fixed & Floating Charge in favour of Merchant Money Limited - Created on 31 May 2018 and delivered on 7 June 2018.
- Fixed & Floating Charge in favour of BR 3 Year Ltd - Created on 5 June 2019 and delivered on 14 June 2019.

The Company's secured creditors were excluded from the Arrangement.

Preferential Creditors

The Proposal stated that the Company had no preferential creditors included in the Arrangement. I can confirm that no preferential claims have been notified to me although I was contacted by former employees who claimed to have outstanding entitlements, however, no claims were progressed.

Non-Preferential Unsecured Creditors

The Proposal indicated 37 non – preferential unsecured creditors with claims totalling £1,354,959. I have received 14 non-preferential unsecured claims totalling £1,278,836.

DIVIDENDS

Secured Creditors

No secured creditors were party to the Arrangement.

Preferential Creditors

No preferential creditors were party to the Arrangement.

Non-preferential Unsecured Creditors

The Proposal indicated that a total distribution to creditors would equate to 9 pence in the pound.

Due to insufficient realisations, no distribution shall be made to the Company's non-preferential unsecured creditors.

REMUNERATION

Nominee Fee

Under the terms of the Proposal the Nominee's fee was fixed in the sum of £5,000. The Nominee has drawn £5,000 on account of this fee.

Supervisor's Fee

Under the terms of the Proposal the Supervisor's fee was approved on a time costs basis, estimated in the sum of £20,000.

Supervisor's fees for the period 7 February 2020 to 27 September 2021 total £10,968, representing 45 hours at an average charge out rate of £242 per hour. A detailed schedule is attached at **Appendix II**.

Supervisor's fees totalling £10,137 have been drawn in this regard.

During the course of the Arrangement, I have taken the necessary steps to discharge my duties as Supervisor in accordance with the terms of the Arrangement. A description of the routine work undertaken since my appointment as Supervisor is as follows:

1. **Administration and Planning**
 - Statutory notifications.
 - Preparing documentation required.
 - Dealing with all routine correspondence.
 - Maintaining physical case files and electronic case details on the case management system.
 - Review and storage.
 - Case bordereau.
 - Case planning and administration.
 - Preparing reports to members and creditors.
 - Convening decision procedures of creditors.
 - Monitoring compliance with the terms of the Arrangement.
 - Issuing a notice of termination.
1. **Cashiering**
 - Maintaining and managing the Supervisor's cashbook and bank account.
 - Ensuring statutory lodgements and tax lodgement obligations are met.
2. **Creditors**
 - Dealing with creditor correspondence and telephone conversations.
 - Maintaining creditor information on the case management system.
 - Reviewing and adjudicating on proofs of debt received from creditors.
 - Paying dividends to creditors
3. **Realisation of Assets**
 - Corresponding with directors and collecting payments.
 - Reviewing the Company's trading and statutory accounts
 - Reviewing the Company's cash flow forecast
 - Liaising with the Directors regarding the Company's monthly contributions and trading accounts

EXPENSES

A summary of Live Recoveries expenses, Category 1 and Category 2, both pre and post appointment, for the period to 23 September 2021, is detailed below: -

Disbursement	Payee	Amount (£)		Category
		Pre	Post	
Specific Bond	Marsh Limited		780	1
Court Fee	HMCTS		50	1
			830	

I have drawn £830 in relation to my disbursements.

FURTHER INFORMATION ON FEES AND DISBURSEMENTS

A schedule of Live Recoveries' current fees and disbursements policy from 01 April 2021 together with the appropriate fee policy based on this matter being a time costs basis only from 01 April 2018 is attached at **Appendix III**. Scale rates may increase from time to time over the period of administration on each insolvency case, which is periodically reviewed.

A copy of 'A Creditors Guide to Voluntary Arrangement Fees' published by the R3 is available on my firm's website on the 'Resources' link. Please note that there are different versions of the Guidance Notes, and in this case you should refer to the April 2017 version. A hard copy of both of these documents can be obtained on request from this office.

OTHER PROFESSIONALS / AGENTS EMPLOYED

As Supervisor I have instructed the following professionals:

Professional advisor	Nature of work	Fee arrangement	Net amount paid (£)
Knights LLP	Legal assistance as regards filing of the CVA proposal	Time costs based on standard hourly rates	750
Schofield Sweeney LLP	Legal assistance as regards the Business Grant	Time costs based on standard hourly rates	1,278

I consider the above to be firms of repute with the appropriate expertise in their respective fields. My experience of working with these firms indicates that their internal delegation results in charges which are cost effective for this kind of work.

CREDITOR RIGHTS

Further Information

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>.

SUMMARY

The Arrangement has now been terminated and a copy of the certificate of termination is attached at Appendix IV.

If creditors have any queries regarding the conduct of the Arrangement, or if they want hard copies of any of the documents made available on-line, they should contact Rhys Wordsworth on 0113 258 5290 before my release.

At Live Recoveries we always strive to provide a professional and efficient service. However, I recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. As such, should you have any comments or complaints regarding the administration of this case, then in the first instance you should contact me at the address given in this letter.

If you consider that I have not dealt with your comments or complaint appropriately you, then put details of your concerns in writing to The Complaints Officer, Live Recoveries, Wentworth House, 122 New Road Side, Horsforth, Leeds, LS18 4QB. This will formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior member of staff unconnected with the appointment. Please note our full grievance procedure can be seen on our website www.liverecoveries.com.

Yours faithfully

Martin P Halligan

Supervisor

APPENDIX I

SUMMARY OF RECEIPTS AND PAYMENTS

French Sole (Marylebone) Ltd - Formerly K/A French Sole Limited
(Under a Voluntary Arrangement)
SUPERVISOR'S RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 06/02/2020 To 27/09/2021 £	From 07/02/2020 To 27/09/2021 £
RECEIPTS			
Contributions		12,500.00	12,500.00
Bank Interest Gross		1.00	1.00
Business Grant		5,000.00	5,000.00
		<u>17,501.00</u>	<u>17,501.00</u>
PAYMENTS			
BR 3 Year Ltd	(120,000.00)	0.00	0.00
Merchant Money Ltd	(59,000.00)	0.00	0.00
Nominee Fee		5,000.00	5,000.00
Supervisor's Fees		10,137.40	10,137.40
Supervisor's Disbursements		830.00	830.00
Legal Fees		1,278.00	1,278.00
VAT		255.60	255.60
Employee Arrears/Hol Pay	(10,000.00)	0.00	0.00
Trade & Expense Creditors	(1,214,421.18)	0.00	0.00
Employees	(15,000.00)	0.00	0.00
HM Revenue & Customs - VAT	(153,596.43)	0.00	0.00
HM Revenue & Customs - CT	(100.00)	0.00	0.00
Ordinary Shareholders	(100.00)	0.00	0.00
		<u>17,501.00</u>	<u>17,501.00</u>
Net Receipts/(Payments)		<u>0.00</u>	<u>0.00</u>
MADE UP AS FOLLOWS			
		<u>0.00</u>	<u>0.00</u>

Martin Halligan
Supervisor

APPENDIX II

SUMMARY OF SUPERVISOR'S TIME COSTS

Time Entry - SIP9 Time & Cost Summary

F021 - French Sole (Marylebone) Ltd - Formerly K/A French Sole Limited
All Post Appointment Project Codes
To: 27/09/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Senior Manager	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.70	2.50	8.40	0.80	3.10	15.50	4,093.00	264.06
Creditors	0.00	0.60	23.20	0.00	0.00	23.80	5,400.00	226.89
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Meetings Reports Reviews	0.00	1.20	3.50	0.00	0.00	4.70	1,147.50	244.15
Realisation of Assets	0.20	0.00	1.10	0.00	0.00	1.30	327.50	251.92
Taxation	0.00	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	0.00
Total Hours	0.90	4.30	36.20	0.80	3.10	45.30	10,968.00	242.12
Total Fees Claimed							0.00	
Total Disbursements Claimed							0.00	

APPENDIX III

LIVE RECOVERIES' PRACTICE FEE RECOVERY POLICY

LIVE RECOVERIES FEE RECOVERY POLICY (VOLUNTARY ARRANGEMENT)
FROM APRIL 2018

Fees

The fees of the Supervisor are fixed by reference to time properly spent by the Supervisor and his staff in attending to all matters arising in the Voluntary Arrangement unless otherwise agreed with the creditors. The Supervisor and his staff charge time to all insolvency cases in units of 6 minutes. Charge Out Rates are subject to annual review.

Charge Out Rates (Per Hour)

Staff Grade	Rate Per Hour
	£
Director	400
Senior Manager	350
Manager	300
Administrator	225
Assistant	95

Standard Activity (Examples of Work)

Investigations/ Realisations/Taxation/Reports /Admin/Planning/Creditors/Claims

Category 1 Disbursements

In dealing with the Voluntary Arrangement, the Supervisor will incur specific expenses and disbursements that are recoverable from the assets available in the Voluntary Arrangement, in accordance with Rule 4.218 of the Insolvency Rules 1986. A Supervisor does not require approval to draw Category 1 disbursements. In the normal course of the administration of a Voluntary Arrangement, the following Category 1 disbursements may be charged by Live Recoveries:-

Disbursement Type	Basis of Charge
Specific Bond	Cost
Land Registry Search Fee (Where applicable)	Cost
External Meeting Room Hire Fee (Where applicable)	Cost
Companies House Search Fee (Where applicable)	Cost
Couriers Fee (Where applicable)	Cost
Postal Redirection Fee (Where applicable)	Cost
Creditor Circulars (incl. stationery, printing and postage)	Cost

Category 2 Disbursements

In addition to specific out of pocket expenditure, the Supervisor may also recover shared or allocated costs of an incidental nature directly incurred on the case.

In the normal course of the administration of a Voluntary Arrangement, the following Category 2 disbursements may be charged by Live Recoveries:-

Disbursement Type	Basis of Charge
Internal Room Hire (for each statutory meeting of creditors)	£100 per meeting
Mileage	75p per mile

Should any creditor require further information in respect of disbursements, then please contact Live Recoveries.

LIVE RECOVERIES FEE RECOVERY POLICY (VOLUNTARY ARRANGEMENT)
FROM APRIL 2021

Fees

The fees of the Supervisor are fixed by reference to time properly spent by the Supervisor and his staff in attending to all matters arising in the Voluntary Arrangement unless otherwise agreed with the creditors. The Supervisor and his staff charge time to all insolvency cases in units of 6 minutes. Charge Out Rates are subject to annual review.

Charge Out Rates (Per Hour)

Staff Grade	Rate Per Hour
	£
Director	400
Senior Manager	350
Manager	300
Administrator	225
Assistant	125

Standard Activity (Examples of Work)

Investigations/ Realisations/Taxation/Reports /Admin/Planning/Creditors/Claims

Category 1 Expenses

In dealing with the Voluntary Arrangement, the Supervisor will incur specific expenses and disbursements that are recoverable from the assets available in the Voluntary Arrangement, in accordance with Rule 4.218 of the Insolvency Rules 1986. A Supervisor does not require approval to draw Category 1 expenses. In the normal course of the administration of a Voluntary Arrangement, the following Category 1 expenses may be charged by Live Recoveries:-

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Category 2 Expenses

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Expense Type	Basis of Charge
Internal Room Hire (for each statutory meeting of creditors)	£100 per meeting
Mileage	75p per mile

Should any creditor require further information in respect of disbursements, then please contact Live Recoveries.

APPENDIX IV

CERTIFICATE OF TERMINATION

FRENCH SOLE (MARYLEBONE) LTD ("THE COMPANY")
(Formerly k/a French Sole Holdings Ltd, French Sole London Ltd and French Sole Ltd)
Company Registration Number: 03086814

COMPANY VOLUNTARY ARRANGEMENT ("CVA")

IN THE HIGH COURT OF JUSTICE, THE BUSINESS AND PROPERTY COURTS IN LEEDS
NO: 107 OF 2020

CERTIFICATE OF TERMINATION

I, Martin P Halligan, the Supervisor of the Voluntary Arrangement of the above-named Company approved at a creditors' meeting held on 07 February 2020 hereby certify that the Arrangement has been terminated due to the following:

1. Breach of clause 42 of the Proposal, namely all statutory returns and payments due to HMRC post approval shall be provided on or before the due date.
2. Breach of clause 70 of the Proposal, namely The Company shall not incur any liability, other than on normal credit terms with trade suppliers or otherwise borrow money for the purposes of trading within the period of the arrangement, without the express written authority of the Supervisor.



Martin P Halligan
Supervisor

Date: 09 September 2021