

In accordance with
Rule 3.35 of the
Insolvency (England &
Wales) Rules 2016 &
Paragraph 49(4) of
Schedule B1 to the
Insolvency Act 1986

AM03

Notice of administrator's proposals



Companies House

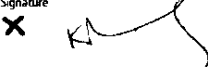

THURSDAY



A14 *A89XEIG0* #376
18/07/2019
COMPANIES HOUSE

1	Company details	
Company number	0 3 4 0 1 7 7 9	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Rococo Chocolates Ltd	
2	Administrator's name	
Full forename(s)	Kerry	
Surname	Bailey	
3	Administrator's address	
Building name/number	3 Hardman Street	
Street	Spinningfields	
Post town	Manchester	
County/Region		
Postcode	M 3 3 A T	
Country		
4	Administrator's name ●	
Full forename(s)	Danny	● Other administrator Use this section to tell us about another administrator.
Surname	Dartnaill	
5	Administrator's address ●	
Building name/number	Level 12,	● Other administrator Use this section to tell us about another administrator
Street	Thames Tower	
	Station Road	
Post town	Reading	
County/Region	Berkshire	
Postcode	R G 1 1 L X	
Country		

AM03
Notice of Administrator's Proposals

6		Statement of proposals	
		<input checked="" type="checkbox"/> I attach a copy of the statement of proposals	
7		Sign and date	
Administrator's Signature	Signature 		
Signature date	d 1 d 6 0 7 y 2 0 y 1 y 9		

Rococo Chocolates Ltd
In Administration
Registration Number: 03401779

Statement to Creditors pursuant to Rule 3.35 of
the Insolvency (England and Wales) Rules 2016
and Statement of Proposals under Paragraph 49 of
Schedule B1 to the Insolvency Act 1986

KB/NN/00294545/C6





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ROCOCO CHOCOLATES LTD - IN ADMINISTRATION ("the Company")

Registered No: 03401779

Registered office situated at 3 Hardman Street, Spinningfields, Manchester, M3 3AT

Former registered office: Unit C41 Parkhall Business Centre, 40 Martell Road, West Norwood London, SE21 8EN

In the High Court of Justice, Business and Property Courts of England and Wales, Insolvency Companies List

Court Reference: CR-2019-003235

1. Introduction

Kerry Bailey (officeholder number: 8780), of BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT and Danny Dartnall (officeholder number: 10110), of BDO LLP ("BDO"), Level 12, Thames Tower, Station Road, Reading, Berkshire, RG1 1LX, both licensed and authorised by the Institute of Chartered Accountants in England & Wales in the UK, were appointed Joint Administrators of Rococo Chocolates Ltd on 23 May 2019.

This report is addressed to the creditors of the Company and incorporates the Joint Administrators' proposals. These proposals are to be considered by the creditors through a deemed consent procedure. I additionally attach a notice of decision procedure by correspondence to allow creditors to consider if a creditors' committee should be formed. The initial decision date is 1 August 2019.

In order to object to the Joint Administrators' proposals a creditor must deliver, to me at the address below, by no later than 1 August 2019 a written notice stating that the creditor objects to the resolutions. The objection must be accompanied by a proof of debt (form attached) otherwise the creditor's objection will be disregarded. A creditor with a 'small debt' £1,000 or less must still submit a proof of debt if submitting a notice of objection.

It is the convenor's responsibility to aggregate the objections to see if the threshold is met. The threshold is 10% in value of the creditors who are entitled to vote. If the threshold is met, the deemed consent procedure will terminate without a decision being made. If a decision is sought again on the same matter it will be sought by an additional decision procedure.

Creditors may approve the Joint Administrators' proposals with or without modifications subject to the Joint Administrators' agreement to any such modifications. If the creditors reject the Joint Administrators' proposals a report will be sent to the High Court of Justice, Chancery Division confirming that the creditors have rejected the proposals. The Court may then discharge the Administration and make consequential directions. Alternatively, it may adjourn the hearing or make some other Order as it thinks fit.

If the Joint Administrators' proposals are agreed by the creditors, the Joint Administrators will continue to control the business of the Company to the extent that it has not ceased or been transferred. The Joint Administrators would at some later date arrange for the Company to exit from the Administration, as agreed by the creditors. Based on the information presently available and the current situation the Joint Administrators' proposal is that the Company will move from Administration to Creditors' Voluntary Liquidation.

The Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code is at <http://www.icaew.com/en/members/regulations-standards-and-guidance/ethics/code-of-ethics-d>.

Creditors may access information setting out creditors' rights in respect of the approval of the Joint Administrators' remuneration at <https://www.r3.org.uk/what-we-do/publications/professional/fees>.

2. Events leading up to the Appointment of the Joint Administrators

Company history and operations

The Rococo brand was founded in 1938 by Chantal Coady OBE ("CC"). CC operated as a sole trader for 15 years and in 1998, CC and James Booth ("JB") established a Partnership. The Company was incorporated on 10 July 1997 but remained dormant until the Partnership transferred its business and assets in 2003. Dormant accounts were filed between 1997 and 2003.

The Company's principal activity was a premium brand chocolatier and sold chocolates in the United Kingdom and internationally through retail, online and wholesale operations. The Company also offered chocolate making experiences and generated revenue through pop-up stalls.

Broadly, the Company's revenue streams were retail (50%), wholesale (40%) and online (10%). The Company sold its wholesale products to a number of high-end retailers such as Selfridges, Liberty London and Harvey Nichols.

On appointment, the Company had 62 employees and traded from six leasehold premises, being five retail stores in London and a Head Office, warehouse and manufacturing facility. Four employees left the business and four employees were made redundant during the Administration.

The online products were sold via the Company's website, with the receipt and delivery of orders managed by a third party fulfilment company.

Trading performance

The Company had generated losses for several years. A summary of the trading history is provided below and further details are provided at Appendix 1. Note, financial year ended 31 December 2017 was an 18 month accounting period.

Financial year ended	Turnover £	Net loss £
23 May 2019	1,232,517	(151,608)
31 December 2018	2,930,568	(106,995)
31 December 2017	4,770,653	(60,041)
30 June 2016	3,056,281	(285,574)

As a result of historic losses, the Company sought external investment. In October 2017, an external investor introduced equity investment of £350k and a £200k unsecured loan. The external investor Rupert Morley ("RM") was also appointed as director of the Company. CC, JB and RM acted as the board ("the Board").

The Company's trade is highly seasonal with peak trading periods in Easter and Christmas. In April 2019, the Company prepared a forecast for the period to December 2019 which indicated it had a peak funding requirement of approximately £500k. The funding requirement included costs in relation to opening two additional retail stores. The funding requirement was largely caused by losses incurred during the seasonal low trading period and the working capital requirement to increase stock ahead of Christmas, being the peak trading period. The Company's working capital facilities (invoice discounting facility and overdraft) were not sufficient to support its cash flow requirements.

The Company was also trading behind forecast and was under significant third party creditor pressure with a number of suppliers placing the Company on stop and requesting outstanding creditor balances to be settled prior to delivery. As a result, the Company was unable to fulfil certain orders. In addition, certain creditors threatened to commence legal action against the Company if their overdue balances were not paid. There were also uncertainties as to whether the Company had sufficient cash to meet wage liabilities.

The Company was unable to repay the investors unsecured loan on its redemption date in December 2018. In May 2019, the investor's unsecured loan remained outstanding in full and on 7 May 2019, in the absence of any other firm proposals to repay the loan, the investor served a demand for full repayment of the loan, plus accrued interest. Given the current financial position, third party creditor pressure and the forecast funding requirement, the investor, in his capacity as an unsecured creditor of the Company, concluded it was necessary to take steps to lodge an application to Court to place the Company in Administration. On 13 May 2019, an application for the appointment of Joint Administrators was made by RM being an unsecured creditor, pursuant to Paragraph 12 of Sch. B1 to the Act. The Court hearing was scheduled for 23 May 2019.

Whilst RM's application had been lodged and the Court hearing had been set, on 13 May 2019 the Board instructed a third party Insolvency Practitioner, Shaw Gibbs Limited ("Shaw Gibbs") to provide advice and commence an Accelerated Merger and Acquisition ("AMA") process.

In addition, on 16 May 2019, a corporate financier, Axia Valuation Services Limited ("Axia") was instructed to assist in marketing the business and assets for sale, a process which lasted three working days (further details are provided in Section 5). No offers were received for the shares that would allow the Company to continue as a going concern. However, offers were received for the business and assets with an intention for the sale to be concluded via a pre-packaged sale upon the Board resolving to place the Company into Administration. Shaw Gibbs having discussed with stakeholders, concluded they were not in a position to complete a sale ahead of the Court hearing scheduled on 23 May 2019. In addition, the Board did not support the sale of the Company's business and assets.

RM's application, as an unsecured creditor, was heard by the Court on 23 May 2019. At that hearing, Kerry Bailey and Danny Dartnaill were appointed Joint Administrators. Under the provisions of paragraph 100(2) of Sch. B1 to the Act the Administrators carry out their functions jointly and severally meaning any action can be done by one Administrator or by both of them.

3. BDO's prior involvement with the Company

On 24 April 2019, BDO was engaged by RM in his capacity as a creditor, the scope included assisting with the application to Court to place the Company into Administration, identifying the optimal Administration strategy and liaising with RM's solicitors, Shoosmiths LLP. The prior involvement was disclosed to the Court prior to making of the Administration order appointing the Joint Administrators.

4. Achieving the purpose of the Administration

The statutory purpose of an administration consists of three objectives, and we now address the progress that has been made in this respect.

- (a) The first objective is rescuing the Company as a going concern (i.e. restructuring the Company's business, resulting in the survival of the Company). We would comment that it is not possible to achieve this objective due to the extent of the Company's liabilities and insufficient funding to support working capital requirements.

- (b) With regard to the second objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), the Joint Administrators can advise that this objective has been achieved. The Administration has enabled continued trading, preserving the value of the Company's assets including goodwill and enabled the Joint Administrators to facilitate a sale of the Company's business and assets. The sale also reduced the level of unsecured claims, employees have transferred to the purchaser, the secured creditor (RBSIF) has been repaid in full and it is the intention of the purchaser to assign or mitigate the leasehold properties and certain leased asset liabilities.
- (c) The final objective is realising property in order to make a distribution to one or more secured or preferential creditors. The secured creditor has been repaid in full and, preferential claims have been kept to a minimum and are likely to be paid in full.

5. Management of the Company's affairs since the Joint Administrators' appointment

Initial Actions

Immediately upon appointment, the Joint Administrators undertook an assessment of the Company's ability to continue to trade. Having reviewed the Company's trading projections, considered the interest received for the business and assets from the aforementioned AMA process and assessed the alternative scenarios available (i.e. an immediate closure and break-up realisation of the Company's assets), it was concluded that the best outcome for creditors would be to continue to trade the business as a going concern to seek a buyer.

Prior to the appointment, for the purposes of the court application and hearing, it was concluded that a sale as a going concern versus a Liquidation scenario would likely result in a better outcome for creditors as:

- The goodwill of the Company would be preserved;
- Wholesale customer relationships would be maintained;
- Customer online orders could be fulfilled;
- Plant and machinery could be realised on an in-situ basis;
- Stock would be realised at market sale price;
- Creditors would be paid for the usage of raw materials subject to valid retention of title either from the Company in Administration and/or the buyer of the business;
- Prevent employee claims arising for arrears of wages, notice pay and redundancy in relation to 62 employees.
- Allow continuity of the book debt collection process.

The forecasts provided shortly prior to appointment anticipated a trading loss and a funding requirement. On appointment, the Administrators entered into a funding agreement ("the Funding Agreement") with RM whereby initial funding of £220k was provided to the Company to allow it to continue to trade whilst the Company's business and assets were marketed for sale. A further £152k was provided during the trading period. The terms of the Funding Agreement provided that funding advanced would be repaid if a sale of the Company's business and assets was achieved and the consideration received was in excess of the forced sale value of the assets and sufficient to meet the costs of the Administration process. A total of £171k of the funding has been repaid to date. Further re-payments will be made in due course.

Following the Joint Administrators review of the Company's affairs with particular regard to its financial and resource requirements, four redundancies were made on 5 June 2019. The employees made redundant included all three members of the Board.

Marketing of the business and assets of the Company

As detailed in Section 2, shortly prior to the Administration, on 16 May 2019, Shaw Gibbs and Axia were instructed by the Company to commence an AMA process. On 16 May 2019, Axia commenced its marketing of the Company's business and assets and an advert was placed on www.ip-bid.com. Axia received 15 signed NDA's and three offers for the Company's business and assets.

Following the Company being placed into Administration on 23 May 2019, Axia released all marketing and interested party information to the Joint Administrators to allow all parties who had expressed interest to be followed up. The advert on www.ip-bid.com remained on the website until 12 June 2019.

On 23 May 2019, BDO commenced a second AMA process for the Company's business and assets, a timeline of the AMA process is summarised below:

Time line	Marketing activities	Justification
23 May 2019	Identification of potential purchasers.	Interested parties from a wide variety of backgrounds (private equity funds, trade buyers, high net worth individuals and connected parties) were identified in order to notify as many potential buyers of the investment opportunity as possible.
	Preparation of a sales flyer.	A high level summary of the key investment attributes was prepared to highlight the opportunities to the potential purchasers.
	Advert on www.ip-bid.com remaining active.	The advert on the website remained active from 23 May 2019 to 12 June 2019.
	Preparation of a web portal data room containing confidential and private information concerning the Company.	This would enable potential buyers to access information and perform initial due diligence before submitting an indicative offer.
29 May 2019	Distribution of the initial email/contact detailing the opportunity to a potential buyer pool via email/telephone.	The buyer pool of 163 was contacted by email and certain key parties were contacted by telephone to proactively advertise the sale and bring it to the investors' attention.
	Follow up contact with potential purchasers if they had not responded.	This was done in case any potential buyers had not responded.
	Preparation and issue of Non-Disclosure Agreements ('NDA') where required. Upon receipt of the NDA, the interested parties were given access to the data room.	This was done to protect the Company's confidential information.
	Issuance of a sales flyer to those parties who signed an NDA.	Providing high level information and investment highlights.

	Liaison with interested parties and the provision of further Company information.	This was done to ensure the interested parties had sufficient information in order to submit a viable and credible offer.
3 June 2019	Information received from Axia and contact made with all parties that had previously expressed interest.	This was done to ensure all parties that had expressed interest prior to the Administrators' appointment were provided with an opportunity to resubmit their bid.
14 June 2019	Deadline for best and final offers.	A deadline was set to formalise the process and seek out only credible buyers at an early stage.
14 June 2019 to 24 June 2019	The Administrators engaged in negotiations with the four highest bidders.	This gave bidders the opportunity to increase their offers and for the Administrators to obtain the best value for the Company's business and assets.
24 June 2019	The Administrators submitted the offers to their agents, HilCo, for their review.	The Administrators sought independent advice from their agents to ensure the offer accepted achieved the best outcome for creditors.
24 June 2019	Offer was accepted by the Administrators.	Upon acceptance of the offer the Administrators moved quickly to complete a sale to preserve value.
25 June 2019	Sale completed and unsuccessful bidders were contacted.	See below for further information on the sale.

A summary of the interest and marketing process is provided below.

Description of marketing activity	Number
BDO contacted potential interested parties via email and telephone	198
<i>Of which these parties were contacted by Axia prior to appointment (included within 198)</i>	27
Signed NDA's received from interested parties	63
Access provided to a web based portal containing Company's information and sales flyer issued	63
Final offers received for the business and assets of the Company	8
Final offers received for the assets only of the Company	4

Sale of the business

Immediately upon appointment, the Joint Administrators instructed HilCo Appraisal Limited ("HilCo") to value the Company's plant and machinery and intellectual property ("IP"). HilCo had not acted for the Company previously and confirmed they were independent to the Company. HilCo has also confirmed it carries adequate professional indemnity insurance for the valuation work undertaken.

The valuation of the plant and machinery was undertaken by Peter Atkinson of HilCo. Mr Atkinson is a qualified RICS surveyor specialising in Machinery and Business Assets and qualified in 2005. The valuation of the IP was undertaken by Nat Baldwin of HilCo. Mr Baldwin has over 10 years' experience in advising clients on distressed and non-distressed IP.

Valuation reports were provided by HilCo in respect of the plant and machinery and IP on 14 June 2019 and 17 June 2019, respectively. The valuations are detailed overleaf (see Sales Consideration section).

Colliers International Valuation UK LLP (“Colliers”) was instructed to value the leasehold interests in the six leasehold properties. The valuation of the leases was undertaken by Nick Hammond of Colliers. Mr Hammond is a qualified RICS surveyor specialising in providing real estate valuation, strategy and disposal advice to lenders, investors, Insolvency Practitioners and business management teams in restructuring, turnaround and insolvency situations. Mr Hammond has experience across all core property sectors including retail and was assisted in this instruction by Colliers’ Central London Retail and Brand Representation teams.

Colliers’ valuation report was received on 18 June 2019 which confirmed there was no value in the leases.

As detailed above, the Administrators received four offers for the Company’s business and assets and four offers for the Company’s assets only.

Following recommendations from the Administrators’ agents, HilCo, the Administrators accepted an offer for the Company’s business and certain assets from Rococo Chocolates London Limited (“the Purchaser”). This offer represented the best outcome for creditors as a whole and significantly higher than a sale on a break-up basis or forced sale scenario.

The terms of the offer are summarised below:

- Total sales consideration of £700,000 to be paid upon completion, further details provided below.
- All remaining employees to transfer to the Purchaser.
- To settle all wage liabilities in relation to the Administration period (that were not already settled). The payroll liability was estimated at £125,000.
- All retention of title (“ROT”) to be resolved by the Purchaser.
- Licence to occupy (“LTO”) agreements in relation to each of the properties to ensure smooth transition of the business and minimal disruption to trade.
- The purchaser will reach settlements with the Company asset financiers in respect of outstanding finance agreements.
- A proportion of an unsecured creditor claim (£200k) was to be subordinated for dividend purposes. As such, this would improve the return for unsecured creditors as a whole.
- Intention to negotiate and settle certain unsecured liabilities in full.

On 25 June 2019, the Joint Administrators successfully completed a sale of the Company’s business and certain assets.

The Purchaser was incorporated on 20 June 2019 and its registered office is Unit C41 Parkhall, Martell Road, London, United Kingdom, SE21 8EN. The Purchaser is connected by way of a common director and shareholder of the Company, RM, and is therefore a connected party, as defined under Section 249 and Section 435 of the Insolvency Act 1986. This report discloses the disposal of assets via a connected party (Statement of Insolvency Practice Rules 13).

BDO was not engaged by the Purchaser and has provided no advice to the Purchaser in respect of the offer submitted. The Purchaser has separate legal and financial advisors.

Sales consideration

Category	Hilco valuation		Consideration (£)
	Ex-situ (£)	In-situ (£)	
Rococo Chocolates Ltd			
Intellectual Property	73,000	100,000	73,000
Business Name			1
Business Rights			1
Customer Contracts			1
Goodwill			1
Software Licence			1
Supply Contracts			1
Transferred Records			1
Cash floats			3,245
Plant	39,850	85,850	164,678
Stock	188,518	523,587	459,070
Total	301,368	709,437	700,000

The sales consideration was received in full on completion.

As detailed above, as part of the sale to the Purchaser, all employees (54) transferred to the buyer under TUPE regulations. Note, 4 employees left the business during the Administration period. The TUPE transfer prevented an estimated claim of c£92k in respect of arrears of wages, redundancy and notice pay claims from the Company's employees, which would have crystallised on a closure and break-up basis.

Licence to Occupy

As part of the sale, the Administrators granted LTO's in respect of the six leasehold properties. The Purchaser has commenced negotiations with the landlords in order to agree an assignment or a new lease.

In the event that the leases are transferred it will mitigate the landlord unsecured creditor claims of approximately £420k, estimated at two years of lease costs or expiry of the lease whichever is earlier.

Per the terms of the sale, the Purchaser has provided the Joint Administrators with funds to settle one month's rental costs, these monies are expected to be fully utilised in settling rent liabilities.

An update on the Purchaser's negotiations with the landlords will be provided in the next report.

Assets not included within the sale

The book debts were excluded from the sale to the Purchaser. On appointment, the book debts totalled £303k. To date, £173k has been collected. As part of the sale, it was agreed that the Purchaser would collect the pre-appointment book debts totalling £130k and debtors in relation to the Administration trading period totalling £83k, on behalf of the Company, in exchange for 10% commission.

It was considered that the Purchaser would be best placed to collect the pre and post-appointment book debts as they will have continuity of relationship with the debtors. The Administrators have the ability to terminate this agreement, should it be required. An update on book debt collections will be provided in the next report.

Trading during the Administration

The Company continued to trade after 23 May 2019 from its head office and the five retail stores, its online operations through its website and its wholesale relationships. A Trading Receipts and Payments Account is provided at Appendix 3 which provides details of the trading activities up to 5 July 2019. Please note, the trading position is being finalised. There are additional trading receipts which are currently held with merchant service providers, receipt of debtors in relation to sales made on credit terms and final costs associated with the trading period that need to be paid. I will provide further details of the trading outcome in my next report to creditors.

Ongoing trading enabled the preservation of the Company's goodwill and wholesale customer relationships, which was essential to achieve a sale of the Company's business and asset. Meeting certain of the Company's contractual obligations during the trading period will also serve to reduce certain unsecured potential claims against the Company.

6. Statement of Affairs and Statutory Information

At Appendix 1 is a record of the names of the Company's directors together with details of their shareholdings.

We attach at Appendix 2 a summary of the directors' estimated Statement of Affairs of the Company at the date of our appointment. The summary Statement of Affairs has been prepared from the Company records and information available. The Joint Administrators have reviewed the Statement of Affairs but have not carried out any audit or detailed verification work at this time.

The Statement of Affairs provided at Appendix 2 was prepared by RM. JB and CC have advised the Administrators that they are not in agreement with a number of unsecured creditor balances within the Statement of Affairs. The Administrators have noted these comments. The claims of unsecured creditors will be adjudicated upon in due course.

In addition, JB and CC have advised they are also not in agreement with the directors' loan account balance. The Administrators will review this balance in due course.

7. Creditors' claims

Secured Creditors

Please see below details of the registered charge against the Company.

In Favour of	Type of Security	Date of Creation	Date Registered
RBS Invoice Finance Limited ('RBSIF')	Debenture	25 March 2010	8 April 2010

On appointment, RBSIF was owed £118k in relation to an invoice discounting agreement. As detailed above, the Company continued to collect debtors whilst trading in Administration and debtor balances of £89k were collected. On 25 June 2019, the amount owing to RBSIF totalled £29k.

On 25 June 2019 and simultaneously on completion of the sale, the debt owed to RBSIF was settled in full. As such, RBSIF confirmed that its charge has been satisfied and has released its security allowing the sale of the business and certain assets.

As such, there are no remaining secured creditors of the Company.

Preferential Creditors

Preferential claims are defined as monies owed to the former employees in respect of arrears of wages and accrued holiday pay at the date of Administration.

Upon appointment, the Joint Administrators were advised that the employees of the Company had arrears of wages in respect of the period 29 April 2019 to 23 May 2019. On 14 June 2019, the Administrators processed the payroll for the period 29 April to 26 May 2019, in line with the Company's usual payroll date.

The Administrators did not settle wages for the four employees made redundant. As such, the Administrators are anticipating preferential claims of £2,355.

Claims for arrears of wages up to £800 per employee and unpaid holiday pay is deemed a preferential claim. We expect to receive notification of those claims from the Redundancy Payments Service in due course.

Based on present information, we anticipate that preferential creditors will be paid in full.

Unsecured Creditors

The Statement of Affairs estimates unsecured creditors of £1.5 million. To date, the creditors' claims notified to date total approximately £192,806.

Creditors who have yet to submit their claims should do so by completing the attached proof of debt form and returning it to the Joint Administrators at BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or to BRCMT@bdo.co.uk.

Based on present information, we anticipate there will be a dividend of approximately 20 pence in the pound. I would comment that the timing and quantum of payment of the dividend is dependent upon future realisations and payment of costs.

Prescribed Part

Under the provisions of Section 176A of the Insolvency Act 1986, the Joint Administrators must state the amount of funds available to unsecured creditors in respect of the prescribed part. This provision only applies where the Company has granted a floating charge to a creditor after 15 September 2003.

Although the Company has granted a floating charge to RBSIF after 15 September 2003, RBSIF was paid in full on 25 June 2019. There will therefore be no floating charge distribution and the provisions of the prescribed part will not apply.

8. Investigations

The Joint Administrators have a duty to investigate the affairs of the Company to establish if there are any actions that can be pursued for the benefit of the creditors as a whole and also the conduct of the directors. In this latter respect the Joint Administrators must submit a confidential report to the Secretary of State, within three months of our appointment, regarding the conduct of all directors and shadow directors during the three years before the Administration.

If creditors wish to bring to our attention any matters that merit investigation they should contact the Joint Administrators c/o of BDO LLP 5 Temple Square, Temple Street, Liverpool, L2 5RH quoting reference 00294545.

9. Other matters

The Insolvency Service has established a central gateway for considering complaints in respect of insolvency practitioners. In the event that you make a complaint to me but are

not satisfied with the response from me then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

Creditors may wish to establish a creditors' committee. A committee must comprise between three and five committee members. A guide to creditors' committees is available at <https://www.r3.orh.uk/what-we-do/publications/professional/creditors-guides>. This provides guidance to allow creditors to know what the purpose of a committee is and be able to assess whether the creditor would like to be a committee member. If creditors wish to establish a creditors' committee, they should provide their consent on the attached Decision Process at Appendix 8.

10. EC Regulations on Insolvency Proceedings

We are required under the Insolvency (England and Wales) Rules 2016 ('the Rules') to state whether and if so the extent the European Regulation on Insolvency Proceedings (No.1346/2000) applies to the Company in Administration. We confirm the Regulations apply to the Company and these are the main proceedings as defined in Article 3(1) of that Regulation.

11. Joint Administrators' Remuneration

Rule 18.16 of the Rules provides how Administrators may be remunerated. This permits remuneration to be fixed either:

- (i) as a percentage of the value of the property with which the Joint Administrators have to deal,
- (ii) *by reference to the time the Joint Administrators and their staff spend in attending to matters in this Administration in accordance with a Fees Estimate,*
- (iii) as a set amount,
- (iv) or a combination of any of the foregoing bases.

In respect of this Administration we wish to ask creditors to approve our remuneration on a time cost basis as set out in the Fees Estimate.

Attached at Appendix 4 is a schedule that summarises the time that has been spent in dealing with this Administration up to 9 July 2019, together with a fees estimate and details of the expenses anticipated to be incurred. The time incurred to date records time costs of £244,799 which represents 841 hours spent at an average charge out rate of £291 per hour.

Creditors may access information about creditors' rights in respect of the Joint Administrators' remuneration at <https://www.r3.org.uk/what-wedo/publications/professional/fees>.

Attached at Appendix 11 is a document that outlines the policy of BDO LLP in respect of fees and disbursements.

12. Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1

disbursements. To date category 1 disbursements of £6,519.53 has been incurred in respect of staff subsistence, rail and taxi fares, parking charges and accommodation.

Some Administrators recharge expenses, for example printing, photocopying and telephone costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors before they can be drawn, and these are known as category 2 disbursements. The policy of BDO LLP in respect of this appointment is not to charge any category 2 disbursements with the exception of mileage on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to the creditors. Since appointment, category 2 disbursements of £424.21 has been incurred in respect of mileage. Category 2 disbursements will be dependent upon the approval of creditors.

Total disbursements of £6,943.74 have been incurred in this Administration as detailed below.

	Cat. 1 (£)	Cat. 2 (£)	Total (£)
Staff Subsistence	404.83	-	404.83
Rail / Taxi	2,202.05	-	2,202.05
Mileage	-	£424.21	424.21
Motor Expenses	20.00	-	20.00
Accommodation	3,892.65	-	3,892.65
Total	6,519.53	424.21	6,943.74

Included within the proposals below is a resolution regarding the Joint Administrators' remuneration and category 2 disbursements, although if a creditors' committee is appointed approval of the Joint Administrators' remuneration and category 2 disbursements will be the committee's responsibility.

13. Possible outcomes for the Company and Creditors

The Insolvency Act 1986 and the Rules provide a variety of options regarding the possible exit routes for the Company from the Administration, being primarily a Company Voluntary Arrangement, Liquidation or dissolution of the Company.

It is the Joint Administrators' recommendation and proposal, as detailed below, that once all assets have been realised and distributed in the Administration that the Company should move to Creditors Voluntary Liquidation and that Kerry Bailey and Danny Dartnaill be appointed Joint Liquidators. The choice of Liquidators is a matter for the creditors to consider.

14. Statement of proposals under Paragraph 49 of 'Sch. B1 to the Act'

Formal Notices of decision procedures

- (a) They continue to manage the Company's business and realise assets in accordance with Objective 2 of the statutory purpose of the Administration, and
- (b) They exit the Administration by way of a Creditors' Voluntary Liquidation and that Kerry Bailey & Danny Dartnaill will be the Joint Liquidators and will act jointly and severally.

NB. Under Paragraph 83(7) of Sch. B1 to the Act and Rule 3.60(6)(b) of The Insolvency Rules 2016 creditors may nominate different Liquidators, but in the absence of such nomination the above named would become the Joint Liquidators.

OTHER RESOLUTIONS FOR APPROVAL, THAT:

- (c) That a creditors committee be established if sufficient creditors are willing to be members. (such committee must comprise of between 3 and 5 creditors)

In the event that a creditors' committee is not established to RESOLVE THAT

- (d) The remuneration of the Joint Administrators' is approved on a time cost basis as set out in the fees estimate, and
- (e) The Joint Administrators' category 2 disbursements be approved on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to creditors.

15. Notices of decision procedures

Resolutions (a) and (b) will be dealt with using the deemed consent procedure, unless sufficient creditors requests are received to hold a physical meeting. Creditors having 10% or more of the total unsecured debts of the Company may object to these resolutions if we receive their objections by the decision date otherwise the decision will be treated as having been made on the decision date. Creditors including creditors claiming a small debt (£1,000 or less) who wish to object must send us a proof of debt form with a written notice of their objection. Creditors who have small debt of £1,000 or less must send us a proof of debt in order to object, even though they may receive dividends without sending a proof of debt.

Resolution (c) to (e) will be dealt with using the postal resolution procedure Creditors are requested to use the attached postal resolution form to vote on these resolutions. The decision date for postal resolutions in this case is 1 August 2019 - you should return the postal resolution form to us by this date. If you have not already done so, you will need to send me a proof of debt for your postal resolutions to be included in the decision. Creditors with a 'small debt' of £1,000 or less must send a proof of debt for their postal resolution to count, even though they may receive dividends without sending a proof of debt.

We will summon a physical meeting with respect to (A) Resolutions a and b or (B) Resolution (c) to (e) if (1) asked to do so by (a) those creditors whose debts amount to at least 10% of the total debts of the Company, or (b) 10% in number of creditors, or (c) 10 creditors, and (2) the procedures set out in Appendix 6 are followed. Requests for a physical meeting must be made within five (5) business days of the date on which these proposals were delivered. The expenses of summoning and holding a meeting at the request of a creditor must be paid by that creditor. That creditor is required to deposit security for such expenses with us.

Dated: 16 July 2019



.....
Kerry Bailey
Joint Administrator

**Rococo Chocolates Ltd - In Administration
Statutory Information**

Registered Number: 03401779

Date of Incorporation: 10 July 1997

Address of Registered Office: c/o BDO LLP
3 Hardman Street
Spinningfields
Manchester, M3 3AT

Previous Registered Office: Unit C41 Parkhall Business Centre
40 Martell Road
West Norwood
London, SE21 8EN

Directors: James Vivian Booth
Rupert Oliver Henry Morley
Chantel Jane Coady

Nominal Share Capital: £150 divided into 30,000 ordinary shares

Registered Shareholders: Shareholders and their respective shareholding

	Ordinary	
Registered shareholder	shares	%
Chantel Coady	13,000	43%
Rupert Morley	9,250	31%
James Booth	4,000	13%
Emilia Coady-Booth	1,000	3%
William Coady-Booth	1,000	3%
Thomas Coady	1,000	3%
Maurice Helfgott	150	1%
Adam Leigh	150	1%
Tony Stockhill	150	1%
Laura Lambourne-Mills	150	1%
William Holmes	150	1%
	30,000	100%

Trading Results:

	Turnover	Gross Profit	Net Loss (before tax)	Directors' remuneration	Balance on P & L A/c
	£	£	£	£	£
FY19 YTD*	1,232,517	785,463	(151,608)	24,743	(191,489)
FY18**	2,930,568	1,763,506	(106,995)	33,992	(229,963)
FY17***	4,770,653	2,833,375	(60,041)	85,922	(259,985)
FY16****	3,056,281	1,826,178	(285,574)	85,922	(199,390)

* Management accounts to 23 May 2019. The movement between the profit and loss account reserves in the balance sheet and the net profit for the period do not reconcile.

** Management accounts to 31 December 2018. The movement between the profit and loss account reserves in the balance sheet and the net profit for the period do not reconcile.

*** Annual Accounts provided at Companies House. Accounts are for an 18 month period ending 31 December 2017.

**** Annual Accounts provided at Companies House. Accounts to period ending 30 June 2016.

NB: The Statement of Affairs provided was prepared by RM. JB and CC have advised the Administrators that they are not in agreement with a number of unsecured creditor balances within the Statement of Affairs. The Administrators have noted these comments. The claims of unsecured creditors will be adjudicated upon in due course.

In addition, JB and CC has advised they are also not in agreement with the directors' loan account balance. The Administrators will review this balance in due course.

Rule 3.30
Insolvency
(England and
Wales) Rules
2016

Statement of affairs

Name of Company Rococo Chocolates Ltd	Company number 03401779
In the High Court of Justice Business and Property Courts of England and Wales Insolvency Companies List	Court case number 3235 of 2019

The Statement of Affairs of Rococo Chocolates Ltd ('the Company') whose registered office is situated at Unit C41 Parkhall Business Centre, 40 Martell Road West Norwood, London, SE21 8EN to be changed to 3 Hardman Street, Spinningfields, Manchester, M3 3AT

On the 23 May 2019, the date that the Company entered Administration.

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the Company as at 23 May 2019, the date that the Company entered Administration.

Full name RUPERT MORLEY

Signed 

Dated 1/7/19

A - Summary of Assets

Assets	Book Value £	Estimated to Realise £
Assets subject to fixed charge:		
Goodwill - Undetermined	0.00	0.00
Debtors Subject to Fixed Charge	295,007.37	236,005.90
Less: Liability to RBS Invoice Finance		(117,587.82)
Surplus from Book Debts		118,418.08
Fixed Assets subject to asset financing	163,788.00	16,378.80
Less: Liability to Lombard Asset Financing		(77,686.91)
Shortfall to Lombard Asset Financing		(61,308.10)
Assets subject to floating charge:		
Surplus from Book Debts		118,418.08
Stock	180,000.00	60,000.00
Tangible Fixed Assets	164,678.00	16,467.80
Directors Loan	53,292.30	53,292.30
Uncharged assets:		
None		
Estimated total assets available for preferential creditors	856,765.67	248,178.18

A1 - Summary of Liabilities

	£	Estimated to Realise £
Estimated total assets available for preferential creditors (carried from page A)		248,178.18
Liabilities		
Preferential creditors:		
- Employee Wages and Holiday Pay	61,126.05	
- Pension Contributions	5,255.06	
		(66,381.11)
Estimated deficiency/surplus as regards preferential creditors		181,797.07
Estimated prescribed part of net property where applicable (to carry forward)	Nil	
Estimated total assets available for floating charge holders		181,797.07
Floating Charges	Nil	
Estimated deficiency/surplus of assets after floating charges		181,797.07
Estimated prescribed part of net property where applicable (brought down)	Nil	
Total assets available to unsecured creditors		64,209.25
Unsecured non-preferential claims	1,509,663.60	
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	Nil	
		(1,509,663.60)
Estimated deficiency/surplus as regards creditors		(1,327,866.53)
Issued and called up capital	350,100.00	
		(350,100.00)
Estimated total deficiency/surplus as regards members		(1,677,966.53)

Aged Payables
Rococo Chocolates Ltd
June 2019

Payables	Address	Total
ABL Recruitment	103 Kingsway House London WC2B 6QX	£3,883.78
Able Print	5 Mallard Close, Earls Barton, Northamptonshire, NN6 0LS	£2,088.06
Alldgate Press	Units 34 & 35 Bow Triangle Business Centre, Eleanor Street, London E3 4UR	£12,738.00
Arta	23 Talion Road Huron Essex CM13 1TE	£12,294.00
Banquet Chocolates	8 Pywell Court, Willowbrook East Industrial Estate, Corby, Northants, NN17 5WA	£2,948.65
Barry Callebaut (UK) Ltd	Wildmere Ind Est, Banbury, Oxon, OX16 3UU	£3,115.32
Bartec Paper & Packaging Ltd	Wincham Avenue, Wincham, Northwich, Cheshire, CW9 6GB	£3,778.70
Berford's Limited	PO Box 2, Thomas Street, Congleton, Cheshire, CW12 1EF	£9,018.00
Blass Design LLP	Bedford Mews, London, N2 9DF	£7,380.00
Brisq Limited	26-28 Underwood Street, 2nd flr London N1 7JQ	£1,041.33
Bryers LLP	7 Gay Street Bath BA12 3PH	£2,141.44
Bon Packaging	Units 20-21, Eldon Way, Hockley Essex S55 4AD	£529.02
Camel Valley	Nanstallon Bodim Cornwall PL30 5LG	£255.73
Castle Water - Blenheim TW0020019506	1 Boat Brae Ratray Blangowrie PH10 7BH	£648.82
CERES GmbH	Vorderhaslach 1 D-91230 Happung, Germany	£115.86
CFCC / Schaal Chocolatier s.a (EUR)	Rue Du Pont de Peage, Geisolsheim, 67118, France	£5,871.24
Chocolate Libertine	19 Sospel Court, Farnham Royal, S Bucks Hampshire, SL2 3BT	£2,868.01
Citation Ltd	Kings Court, Water Lane, Wilmslow Cheshire SK9 5AR	£636.00
Clark Chilled Transport	5 Hillrow, Haddenham Ely, Cambridgeshire CB6 3TQ	£192.00
Clark Electric Industries Ltd	Electrocare Housse, Unit 1E Cody Business Centre, Cody Road, London, E16 4TG	£141.12
Classic Fine Foods UK Ltd	Westway Estate, 18-20 Brunel Road, London, W3 7XS	£9,805.72
Clientbase Fulfillment Ltd	Woodview Road, Paignton, TQ4 7SR	£15,365.75
CSP Ltd	Unit 1 Abloy House, Hatters Lane Watford Hertfordshire WD18 8AJ	£84.00
Cup of Tea Ltd	3 Moonshill Barns Frog Lane Stoke St Michael BA3 5HL	£68.30
Deli Express (UK) Ltd - Wholesale 131100853	Southern Hub, Unit 1 Horton Road Colnbrook Berkshire SL3 0BB	£1,600.74
Doucet - Francois confiseur (EUR)	Zone Artisanale, avenue de Traversetolo, BP 107-04700, France	£14,097.55
DRL Licencing Ltd	Lee House 109 Hammersmith Road London W14 0QH	£1,746.18
Esprit Gourmand / Compagnie Alimentaire	Zone de l'Agavon - 1, avenue Guy de Maupassant, Les Pennes, Mirabeau, 13170, France	£483.03
Eurofoodbrands	1 Kimbell Mews, Humfrey Lane, Northampton, NN2 8X8	£7,931.74
Excel Network Solutions Ltd	4-6 Langford Arch London Road Sawston Cambridgeshire CB22 3 FX	£48.00
Fairtransport Shipping BV	Willemsoord 73 Netherlands	£712.96
FDU Group Ltd	1 Pains Garden, South Bank, London SE1 8NU	£12,960.00
FM Mechanical Ltd	Unit 8 Norfolk Bridge Court Warren Street Sheffield South Yorkshire S4 7WT	£3,642.00
FT Short Limited	Filton Road, St Germans, King's Lynn, Norfolk, PE34 3AX	£32,070.92
Ginger Dragon Ltd	PO Box 273 Uckfield TN22 9DL	£1,164.00
Girls Who Grind Coffee	Unit 2 Millards Farm Upton Scudamore Wiltshire BA12 0AG	£491.40
Graphot	BP30008, Saint-Paul-Trois-Châteaux, 26131, France	£797.82
Grenada Chocolate Company Ltd (USD)	Hermilage, St Patricks, Grenada,	£36,536.66

Aged Payables
Rocco Chocolates Ltd
June 2019

Gulberts Chocolates	16/17 Small St, Bristol, BS1 1DE	£25,645.53
GWD Limited	PO Box 5115, Howe, BN52 9EH	£7,940.35
HF Chocolates	5 Fitzhamon Court, Wolverton Mill, Milton Keynes, MK12 6LB	£718.08
Home Chocolate Factory	Rosedale House, Rosedale Road, Richmond, TW9 2SX	£1,870.15
Ice Cream Union	Sulqui Ltd Unit 1 Discovery Business Park St James Road London SE16 4RA	£1,894.82
JMW Barnard	181 Kensington High St London W8 6SH	£8,831.25
Kamsac	Kamsel House Bentalls Basildon Essex SS14 3 BX	£1,052.40
Kensington & Chelsea Borough Council	Finance Dept Townhall Hornton St London W8 7NX	£6,141.09
Kera Logistics Ltd	147-149 Nathan Way, Thamesmead, London, SE28 0AB	£3,163.14
Keylink	Green Lane, Ecclesfield, Sheffield, S35 9WY	£277.41
Langdon London Insurance Brokers Ltd	Suite 3a Fletum House Brighton Road Redhill RH1 6QZ	£4,664.05
Lesaters Limited	61 London Road, Woolmer Green, Knebworth, Hertfordshire, SG3 6JE	£12,140.45
Limar Chocolaterie nv (EUR)	Muizenvenstraat 15, Turnhout, 2300, Belgium	£6,909.61
London Bio Packaging	21 Berghem Mews, Blythe Road, London, W14 0HN	£439.85
London Borough of Lambeth F2	Business Rates PO Box 751 Winchester SO23 5DS	£2,760.91
M&A Hygiene plc	Unit 5 Stafford Cross Stafford Road Croydon CR0 4TU	£1,187.14
Marasu's Patis Pours Limited	Unit 8 Volt Avenue, Powergate Business Park, Park Royal, London, NW10 6PW	£10,936.74
Mark B Prizeman	7 Dilke Street London SW3 4JE	£238.75
Naggy's Mentor - Employment Law & HR Alliance	250 Bishopgate London EC2M 4AA	£318.78
Nefco Management Ltd	66 Orchard Grove London SE20 8DZ	£506.04
Newer Installations Ltd	Unit L1 Tyburn Trading Estate Ashold Farm Road Erdington West Midlands B24 9QG	£12,306.45
NHR Organic Oils	24 Chatham Place Brighton BN1 3TN	£550.98
Nidbiets	Queens Building 96 Bishops Bridge Road London W2 5HX	£100.00
NLA media access Ltd	Mount Pleasant House Lonsdale Gardens Tunbridge Wells Kent TN1 1HU	£116.94
Nubox Ltd	Unit 3 Ash Street, Leicester, LE5 0DA	£1,762.80
Oaklair Limited	Old School House, 59 Norwich Rd, Cawston, Norwich, Norfolk, NR10 4EU	£1,382.40
Organic Herb Trading Company	Milverton, Somerset, TA4 1NF	£3,175.17
Pariani	Via Benedetto Croce 27/M, Gvoletto (TO), 10040, Italy	£244.25
Queenwood Natural Foods LTD / Hunt's Foodservice Ltd	Bristol Road, Bridgwater, TA6 4AW	£6,353.63
Ransat Ceramics	Office Suite 5 55 Park Lane London W1K 1QG	£155.08
RealFoodSource Ltd	Unit 1 Newhailes Industrial Estate Newhailes Road Musselburgh East Lothian EH21 6SY	£447.50
		£51.96

Britter Courward Ltd
R Solutions Ltd
Royal Mail Pension Trustees Ltd c/o JLL
Saddons Boxes
Seddon Facilities Management Ltd
Square Mile Coffee Roasters
Stager Clair Packaging
Strawberry Soup Ltd
Surrey Wholesale Packaging / Acopia
Theatray Williams
The Copyshop
The Packaging Hub Ireland Ltd
ThoughtShift Ltd
TINKAPAC LIMITED
TINT UK Ltd
Town & Country Fine Foods Limited
Trans-Fire Protection Ltd
Unit IT Ltd
Viking Direct
Walpole
Web-Tart
Wrightsons British Tags Ltd
Natwest - overdraft
Natwest - Term Loan
Lombard Asset Finance
HMRC - VAT
HMRC - PAYE & NI

Unit 4 Westlinks Alpertown Lane Alpertown HA0 1ER	£18.65
£3,420.61	
£3,420.61	
£4,200.00	
£756.00	
£15,432.11	
Unit 1 Bromley House, Pychley Lodge Road, Pychley Road Ind Estate, Kettering, NN15 6IQ	
£637.80	
£266.50	
£3,577.57	
£4,008.00	
£152.35	
£3,399.00	
£2,259.85	
£7,399.80	
£7,020.00	
£3,260.51	
£1,169.41	
£116.98	
£3,100.96	
£13,575.18	
£50.83	
£3,053.54	
£11,755.39	
£10,050.18	
£360,908.51	
£191.93	
£191.93	
£191.93	
£191.93	
£184,429.55	
£96,176.95	
£61,308.10	
£155,804.25	
£94,029.05	
£92,320.93	

£1,509,663.60

Note - no creditors in this list hold security over the company

Robbery

6/17/11

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No. of shares held	Nominal Value	Details of Shares held
[REDACTED]	[REDACTED]	13,000	£65.00	Ordinary Shares
[REDACTED]	[REDACTED]	4,000	£20.00	Ordinary Shares
[REDACTED]	[REDACTED]	1,000	£5.00	Ordinary Shares
[REDACTED]	[REDACTED]	1,000	£5.00	Ordinary Shares
[REDACTED]	[REDACTED]	1,000	£5.00	Ordinary Shares
[REDACTED]	[REDACTED]	9,250	£46.25	A Ordinary Shares
[REDACTED]	[REDACTED]	150	£0.75	A Ordinary Shares
[REDACTED]	[REDACTED]	150	£0.75	A Ordinary Shares
[REDACTED]	[REDACTED]	150	£0.75	A Ordinary Shares
[REDACTED]	[REDACTED]	150	£0.75	A Ordinary Shares
[REDACTED]	[REDACTED]	150	£0.75	A Ordinary Shares
TOTALS		30,000	£150.00	

[Signature]

Signature

Date

17/19

Rococo Chocolates Ltd - in Administration

Receipts and Payments Accounts

Rococo Chocolates Ltd
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £	From 23/05/2019 To 05/07/2019 £	From 23/05/2019 To 05/07/2019 £
POST APPOINTMENT RECEIPTS		
Sales	136,611.27	136,611.27
	136,611.27	136,611.27
THIRD PARTY FUNDING		
Funding Agreement - Trading	189,186.14	189,186.14
	189,186.14	189,186.14
COST OF SALES		
Carriage/Logistics	325.72	325.72
Material Purchases	17,744.05	17,744.05
Packaging	3,801.00	3,801.00
Ransom payments	22,900.35	22,900.35
Repairs & Renewals	350.00	350.00
	(45,121.12)	(45,121.12)
TRADING EXPENSES		
Internet & Telephones	6,411.39	6,411.39
Merchant services charges	2,996.50	2,996.50
Miscellaneous store expenses	899.28	899.28
Parking	70.00	70.00
Sub Contractors	2,530.00	2,530.00
Wages	94,868.53	94,868.53
	(107,775.70)	(107,775.70)
TRADING SURPLUS/(DEFICIT)	172,900.59	172,900.59

Rococo Chocolates Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 23/05/2019 To 05/07/2019 £	From 23/05/2019 To 05/07/2019 £
	ASSET REALISATIONS		
118,418.08	Book debts	2,950.14	2,950.14
	Business Name	1.00	1.00
	Business Rights	1.00	1.00
	Cash at Bank	11,759.78	11,759.78
	Cash floats	3,244.82	3,244.82
	Customer contracts	1.00	1.00
Uncertain	Directors' Loan Account	NIL	NIL
Uncertain	Goodwill	1.00	1.00
	Intellectual Property	73,000.00	73,000.00
	Interest Gross	69.76	69.76
	Licence to Occupy fees	26,244.24	26,244.24
16,467.80	Plant	164,678.00	164,678.00
	Software Licences	1.00	1.00
60,000.00	Stock	459,070.18	459,070.18
	Supply Contracts	1.00	1.00
	Trading Surplus/(Deficit)	172,900.59	172,900.59
	Transferred records	1.00	1.00
		<u>913,924.51</u>	<u>913,924.51</u>
	COST OF REALISATIONS		
	Bank Charges	36.00	36.00
	Professional fees and services	10,245.00	10,245.00
		<u>(10,281.00)</u>	<u>(10,281.00)</u>
	THIRD PARTY FUNDING		
	Funding Agreement	12,294.00	12,294.00
		12,294.00	12,294.00
	PREFERENTIAL CREDITORS		
(5,255.06)	Pension Contributions	NIL	NIL
(61,126.05)	Preferential Wages and holiday pay	NIL	NIL
		NIL	NIL
	DISTRIBUTION TO SECURED CREDITOR		
(117,587.82)	RBS Invoice Finance Limited	28,589.19	28,589.19
		<u>(28,589.19)</u>	<u>(28,589.19)</u>
	UNSECURED CREDITORS		
(1,509,663.60)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(350,100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(1,848,846.65)		887,348.32	887,348.32
	REPRESENTED BY		
	Current Account 1		703,549.50
	Current Account 2		201,322.23
	Input VAT		11,107.59
	Output VAT		<u>(28,631.00)</u>
			887,348.32

Detail of Time Charged and Rates Applicable for the Period From 23/05/2019 to 06/07/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
B. Steps on Appointment														
02 Statutory Documentation			2.40	719.20	0.50	63.50	8.55	1,621.35	22.85	1,579.25			34.30	3,983.30
07 Attendance at Premises							8.20	1,738.40	8.00	1,440.00			16.20	3,178.40
09 Preparation of Proposals			3.50	840.00			0.15	19.05	5.00	345.00			8.65	1,204.05
12 Setting up Internal Files			1.30	312.00									1.30	312.00
sub total -			7.20	1,871.20	0.50	63.50	16.90	3,378.80	35.85	3,364.25			60.45	8,677.75
B. Steps on Appointment														
C. Planning and Strategy														
05 Review Options Available	33.45	17,828.85					1.80	381.60					35.25	18,210.45
07 Strategy Planning	16.75	8,927.75	8.00	3,304.00			0.50	106.00	1.00	180.00			26.25	12,517.75
99 Other Matters	4.00	3,040.00							0.50	58.00			4.50	3,098.00
sub total -	54.20	29,796.60	8.00	3,304.00			2.30	487.60	1.50	238.00			66.00	33,826.20
C. Planning and Strategy														
D. General Administration														
01 Insurance Matters							2.50	530.00					2.50	530.00
02 VAI			0.25	111.75									0.25	111.75
04 Instruct Use Solicitors							2.30	487.60					2.30	487.60
05 Investigations							2.50	530.00					2.50	530.00

Detail of Time Charged and Rates Applicable for the Period From 23/05/2019 to 06/07/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	£	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
07 Receipts Payments Accounts			4.10	1,661.40			15.40	3,564.80	24.95	2,377.90			44.45	7,304.10
09 Statutory Matters							1.25	243.75	0.50	90.00			1.75	333.75
13 General Meetings							2.30	487.60					2.30	487.60
14 General Discussions							2.40	508.80					2.40	508.80
15 Gen Admin Correspondence	6.00	3,730.75	1.60	626.20	0.25	31.75	1.85	234.95	10.85	836.75			20.55	5,460.40
sub total -	6.00	3,730.75	5.95	2,399.35	0.25	31.75	30.50	6,287.50	36.30	3,304.65			79.00	15,754.00
D. General Administration														
E. Assets Realisation/Dealing														
04 Agent Instruction/Leasing			0.50	170.50			3.80	805.60					4.30	976.10
05 Sales Info Preparation			4.50	1,682.50					77.75	13,095.00			82.25	15,677.50
06 Property Related Matters			1.65	557.70			5.70	1,208.40	6.20	943.20			13.55	2,709.30
07 Debt Collection							0.60	127.20					0.60	127.20
08 Dealing with Chattel Assets			1.00	413.00									1.00	413.00
09 Dealing with other Assets			0.70	289.10			2.40	508.80					3.10	797.90
10 HP Leasing Matters			1.70	702.10									1.70	702.10
12 Retention of Title			3.90	1,610.70									3.90	1,610.70

Detail of Time Charged and Rates Applicable for the Period From 23/05/2019 to 06/07/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
14 Sale of Business Assets	41.40	22,066.20	137.60	48,798.60			71.40	15,560.80	13.00	2,340.00			265.40	88,765.60
sub total -	41.40	22,066.20	151.55	54,234.20			85.90	18,210.80	96.95	17,278.20			375.80	111,779.40
E. Assets Realisation/Dealing														
F. Trading Related Matters														
01 Establish Business Control			2.00	826.00			8.00	1,696.00					2.00	826.00
02 Trading other Projections			11.70	4,832.10			29.40	6,332.80	12.75	3,295.00			8.00	1,696.00
03 Cashflow Forecasts			0.20	82.60			21.20	4,494.40					11.70	4,832.10
05 Attendance at Premises			64.60	25,018.80									42.35	8,610.40
06 Monitor Supervise Trading			1.60	660.80					8.25	1,485.00			85.80	29,513.20
07 Business Management			14.10	5,647.30			2.70	572.40					9.85	2,145.80
08 Trading Accounts			2.40	991.20									16.80	6,219.70
99 Other Matters													2.40	991.20
sub total -			96.60	38,058.80			61.30	12,995.60	21.00	3,780.00			178.90	54,834.40
F. Trading Related Matters														
G. Employee Matters														
02 Dealing with Employees	1.75	932.75	3.10	1,211.10	0.50	63.50	6.10	1,293.20	0.50	90.00			11.95	3,500.55
03 IPA Matters			0.50	123.90			1.90	402.80					2.20	526.70

Detail of Time Charged and Rates Applicable for the Period From 23/05/2019 to 06/07/2019

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
04 Pension Issues			3.80	1,569.40			0.80	169.60					4.60	1,739.00
99 Other Matters									1.50	103.50			1.50	103.50
sub total -	1.75	932.75	7.20	2,904.40	0.50	63.50	8.80	1,865.60	2.00	193.50			20.25	5,959.75
G. Employee Matters														
H. Creditor Claims														
04 Non-Preferential Creditors			1.90	784.70	1.25	158.75	1.30	275.60	11.65	803.85			16.10	2,022.90
99 Other Matters			5.05	1,507.15									5.05	1,507.15
sub total -			6.95	2,291.85	1.25	158.75	1.30	275.60	11.65	803.85			21.15	3,530.05
H. Creditor Claims														
I. Reporting														
01 Statutory Reporting			1.00	413.00			24.70	5,236.40					25.70	5,649.40
04 Reporting to Creditors			12.00	4,428.00					2.00	360.00			14.00	4,788.00
sub total -			13.00	4,841.00			24.70	5,236.40	2.00	360.00			39.70	10,437.40
I. Reporting														
Net Total													244,798.95	
Secretarial Expense													0.00	
Other Disbursements													0.00	
Billed													0.00	



Rococo Chocolates Ltd - In Administration

Kerry Bailey of BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT and Danny Dartnail of BDO LLP, Level 12, Thames Tower, Station Road, Reading, Berkshire, RG1 1LX were appointed Joint Administrators on 23 May 2019

Fee Estimate as at 12 July 2019 Joint Administrator's Fees	Total Hours	Blended Rate	Estimated Fee
Summary Activity			£
A. Pre Appointment Matters			0.00
B. Steps on Appointment	60.45	143.55	8,677.75
C. Planning and Strategy	66.00	512.52	33,826.20
D. General Administration	81.50	208.16	16,965.00
E. Assets Realisation/Dealing	385.80	298.55	115,179.40
F. Trading Related Matters	186.40	306.07	57,051.90
G. Employee Matters	41.25	335.10	13,822.75
H. Creditor Claims	32.15	233.75	7,515.05
I. Reporting	52.20	272.41	14,219.90
J. Distribution and Closure	23.50	363.02	8,531.00
TOTAL	929.25	296.79	275,788.95

Officeholder Category 1 Disbursements		8,000.00
Officeholder Category 2 Disbursements		200.00
Other Expenses		0.00
Agents' Costs		0.00
Valuers' Costs		15,500.00
Solicitors' costs		45,000.00

The table above is our estimate of the Joint Administrators' fees on a time costs basis for this appointment and the anticipated expenses. This estimate and the expenses are prepared on the basis of the information available to us at the date of this estimate. Assuming that there are no major unanticipated factors, we would expect that our fees may be lower than the estimate. In the following pages we provide a summary of the work we believe is necessary. Where applicable, all fees and disbursements will be subject to VAT at the prevailing rate.

In any work of this nature we may have recourse to engage specialists to assist us for example in ensuring that we obtain best value for the estate assets and also to protect the legal interests of the estate including where necessary taking action to recover sums due to the estate. The specialists we engage will invoice us and that will be an expense of the estate. Such expenses are not subject to creditor approval but nevertheless have an effect on the funds available for creditors in the estate.

1. Joint Administrators' Fees

Fees (remuneration) may be sought on four different bases and a guide for creditors is attached. The four bases are, a time costs basis; a percentage of the assets realised; fixed amount; or a combination of the first three bases. In this insolvency case we are seeking fees on a time cost basis and have estimated a fee of £275,788.95.



Where possible we will delegate work to my staff and by this expedient the work is conducted by suitably qualified and experienced members of staff at different hourly costs. The current charge out rates per hour of staff within my firm's London office is below:

GRADE	£
Partner	646
Manager	336-586
Assistant Manager	302
Senior Administrator	283
Administrator	165-283
Other Staff	89-105

These rates are confirmed in an attached document which sets out my firm's policy on time costs and expenses. My firm's hourly time costs rate are normally reviewed in December and July each year and adjusted to take account of inflation and the firm's overheads. We have estimated the time we will spend in respect of the following areas of work in respect of this insolvency. Below we provide the primary work that will be undertaken by us.

A Pre Appointment

No time was incurred in relation to pre-appointment matters.

B Steps upon Appointment

Work in this regard has included reviewing appointment and statutory documents, preliminary organisation review, initial interviews and meetings with key stakeholders including third parties, taking steps to gather in and protect all assets, establishing internal responsibilities regarding staffing of elements of the work and steps to protect assets. Immediately upon appointment, BDO staff attended the six leasehold properties to notify employees of the appointment, to establish controls over ongoing trading and to protect the value of the Company's assets. This work is primarily led by a director or senior manager with the majority of work delegated to staff below manager.

C Planning and Strategy

Work in relation to this category includes reviewing historic records and business performance, establishing the current financial position and reviewing the business processes and systems, liaising with key stakeholders and any committee and engaging with specialists and planning overarching strategy.

This area of work is led by me as Partner in conjunction with a director or senior manager, with some support below manager level in documenting and recording proposed strategy. Although this work does not directly benefit creditors it does contribute to the efficient management of this insolvency appointment and contributes to reducing costs.

D General Administration

This involves reviewing and regularising affairs regarding Insurance, VAT, and taxation, dealing with press enquiries and PR matters, and managing general administrative matters, basic enquiries and meetings.

Time also incurred relates to undertaking preliminary investigations regarding the conduct of the directors, investigations into the affairs and transactions of the entity. The work contemplated does not at this time include forensic examination of records and transactions.

It will also include recovery and storage of entities books and records, and will include engaging and liaising with solicitors. Day-to-day management of the Company's assets will include managing accounting and investment of realisations, suitable banking investment and preparing reports on Receipts & Payments, ensuring appropriate approval of all costs including approval of remuneration



and matching costs of specialists against their expense estimates, managing formal contractual matters regarding the entity, including equipment hire and dealing with court hearings regarding the insolvency (excluding third party litigation).

The majority of this work requires a range of insolvency knowledge and experience, balanced with good accounting and administrative skills and is delegated largely to executives with suitable levels of experience, supervised by directors or managers.

E Asset Realisation/Management

Sale of the Company's business and assets

A significant proportion of time has been incurred in undertaking an AMA process and completing a sale of the Company's business and assets, which reflects the importance of this work to the outcome of the Administration and maximising realisations for creditors of the Company.

Time costs relate to identifying interested parties, preparing a sales flyer, populating and maintaining the data room, issuing and receiving NDA's, liaising with interested parties and answering queries, attending meetings and facilitating visits to the Head Office, maintaining an interested parties schedule and assessing the value of the Company's assets with our agents Hilco and Colliers (including IP, goodwill, stock, plant and machinery and leasehold interest).

Following the receipt of offers, time was incurred preparing an Estimated Outcome Statement in order to compare the offers received to ensure the offer accepted resulted in the best outcome for the Company's creditors. In addition, time was incurred liaising with the four highest bidders, extending the deadline for best and final offers and communicating with HilCo for independent agent advice.

Following the acceptance of an offer for the Company's business and assets, we also incurred time negotiating the sales and purchase agreement in conjunction with solicitors, dealing with the consideration and communicating with the unsuccessful bidders. A sale of the business and assets was successfully completed on 25 June 2019.

Retention of Title and leased assets

We have incurred time responding to ROT creditors and facilitating site visits. In addition, we have spent time liaising with Lombard North Central Plc, with the assistance of our solicitors and agent, in relation to lease agreements.

Leasehold properties

Time has been incurred liaising with the landlords of the six leasehold properties and granting LTO's to the Purchaser. Additional time will be incurred settling property related liabilities such as rent and rates.

Book debts

We have undertaken a reconciliation of the debtors with the assistance of management. We will continue to monitor the debt collection process on a weekly basis.

This area of work requires a greater level of commercial experience and insolvency knowledge, than the general administration category of work, together decision making skills. The work is led at director or senior manager level supported by executives with suitable competencies and almost equal numbers of hours are spent by the two groups. My managers liaise with me as the partner and escalate major decisions to me.



F Trading Related Matters

The Company traded during the period 23 May 2019 to the completion of the sale of the business and assets on 25 June 2019.

Time costs were incurred in dealing with the following matters during trading:

- establishing business controls;
- preparation of trading projections;
- budgets and integrated cash-flow;
- attendance at the Company's premises;
- meetings and correspondence with the Company's main suppliers and stakeholders;
- guaranteeing continuity of business critical services;
- supervising trading and monitoring results including the preparation of trading accounts;
- raising payments and allocating receipts;
- general business management.

Future time costs will be incurred in relation to liaising with merchant service providers, landlords and suppliers. In addition, time will be incurred concluding the trading position such as obtaining final invoices from utility providers and suppliers and, finalising the cash flow and profit and loss account.

This area of work requires a greater level of commercial experience and insolvency knowledge, than the general administration category of work, together decision making skills. The work during the trading period is led at director or senior manager level supported by other staff with suitable competencies. Our managers liaise with us, as partners, and escalate major decisions to us.

G Employee Matters

At the date of our appointment the Company had a total of 62 employees. It was necessary to address the employees on appointment and deal with any queries during the trading period. Time was incurred making four employees redundant and communicating how to make a claim for arrears of wages, holiday pay, redundancy pay and notice pay through the Redundancy Payments Service. All remaining staff were transferred to the Purchaser under the Transfer of Undertakings (Protection of Employment) Regulations 2006.

In addition, the Administrators were required to offer a retention bonus to employees located in the five retail stores. Time was incurred communicating with employees in this regard.

One factor not provided for, which may increase costs, is where employees submit claims to an employment tribunal, especially where it is necessary to arrange legal representation at the tribunal.

The majority of this work is carried out by specially trained insolvency staff with much of the work being processed below manager level. Our estimate of costs in this regard is prepared following consideration of the number of employees.



H Creditor Claims

On present information, it is anticipated that there will be sufficient funds available to enable a dividend to unsecured creditors, although the timing and quantum of this remains uncertain at present. Work will therefore be undertaken agreeing unsecured creditor claims, including future correspondence with creditors as necessary. Although some of this work may be undertaken in the subsequent Creditors' Voluntary Liquidation.

We will incur time costs in receiving and recording all creditor claims and identifying whether additional supporting evidence is necessary from the creditor, reviewing the validity of all claims submitted by creditors alleging they have security rights which would afford them a higher priority when funds are distributed, considering, reviewing and recording all preferential and unsecured claims and, identifying any claims which might be categorised as deferred claims. It may be necessary to take legal advice where a creditor maintains a secured claim which is not supported by unequivocal evidence or where an unsecured claim is made which is significantly in excess of any value recorded by the insolvent entity and the claim is inadequately evidenced.

No provision has been made for dealing with any creditor's claims where the matter is referred to Court. To estimate costs in respect of administering creditor claims we consider the volume of known creditors and the nature of the insolvent entities business. We understand from available records that there are 104 creditors.

I Reporting

This work includes preparing periodic progress reports to creditors regarding the progress achieved, including preparation of Receipts & Payments Accounts, a suitable analysis of time costs accrued and a review of actual costs and accrued costs as against this fees and expense estimate.

At the time this estimate was prepared no information was available regarding whether creditors were going to appoint a committee, if a committee is appointed there will be additional reports, which have not currently been budgeted for.

The Director or Senior Manager is responsible for leading the reporting and delegating the production of the accounts, fee analysis and comparison with estimates to suitably experienced executives. The ratio of time spent on reporting is generally that executive hours are twice as many as those of the Director or Senior Manager. Much of the basic accounting and analysis is conducted by various grades of Executives. In estimating costs in respect of reporting we have formed a view of the duration of the insolvency and estimated how many reports will be required.

These activities do not contribute to the financial outcome for creditors, they are statutory duties imposed by the relevant legislation. However, they do contribute to the creditors' understanding of the work being undertaken on their behalf.

J Distribution and Closure

Work in this regard is expected to include giving notice to relevant creditors to prove their claims, adjudicating upon the claims issuing formal rejection of any relevant claims, dealing with any appeal to court concerning a rejected claim*, establishing the distributable funds in the estate, calculating the dividend, issuing payment with suitable notification to creditors, reconciling payments and accounting for unclaimed dividends. Although some of this work may be undertaken in the subsequent Creditors' Voluntary Liquidation.

No provision is made for additional time costs for dealing with an appeal concerning a rejected cost because the likelihood of such an eventuality is small, although the costs could be significant.

Time also includes preparing a final report to creditors together with a Receipts & Payments Accounts, analysis of time costs accrued and a review of actual costs compared to the fee and expense estimate, completing all administrative arrangements including storage of any records for statutory periods and filing final statutory documentation.



The work is supervised by directors and Senior Managers and final decisions and release of funds is authorised by the partner. The majority of these activities do not contribute to the financial outcome for the creditors (although the matters relating to payment of dividends will do so). The formalities of bringing an insolvency to a close are statutory requirements.

The foregoing estimate does not include any fee estimate provision for the company moving into liquidation which would be the subject of a further fee estimate and creditor approval.

2. Expense Estimate

2.1 Category 1 Disbursements

Our estimate in respect of this heading covers expenses where the officeholders firm has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents, storage of original records of the insolvent estate. In each case the recharge will be reimbursement of a specific expense incurred.

2.2 Category 2 Disbursements

We propose to recover from the estate the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff. Where costs are incurred in respect of mileage, approval will be sought in accordance with the Insolvency (England and Wales) Rules 2016 to recover this disbursement.

2.3 Agents' Costs

As detailed above, independent agents, HilCo, were engaged to assist the Administrators with the valuation of the Company's assets, recommending acceptance of offers and overall advising on the sale of the business and assets. Costs in this regard are estimated to total £11,000, none of which relates to pre-appointment matters.

The Administrators instructed Colliers to undertake a valuation of the leasehold interests held by the Company. Costs in this regard are estimated to total £4,500, none of which relates to pre-appointment matters.

2.4 Solicitors' costs

Addleshaw Goddard LLP ("Addleshaws") has been engaged to provide legal advice to the Company.

Work done has included dealing with statutory formalities, advising the Administrators on legal matters and drafting the Funding Agreement. Advice was also received on the position of certain leasehold contracts (including hire purchase agreements) that affected the Company's position in relation to the sale of the business, as well as in preparing and agreeing the contract for the sale of the business and providing advice on the same. Addleshaws also provided advice in relation to employment law, property related matters and reviewed security documentation.

Legal fees that will be incurred in the Administration are currently estimated to total in the region of £45,000.

Rule 15.7
Insolvency
(England and
Wales) Rules
2016

The Insolvency Act 1986 - NOTICE OF DEEMED CONSENT PROCEDURE

To consider approving the Joint Administrators' proposals dated 16 July 2019

Name of Company Rococo Chocolates Ltd	Company number 03401779
In the High Court of Justice, Business and Property Courts of England & Wales, Insolvency and Companies List [full name of court]	Court case number CR-2019-003235

The Joint Administrators are Kerry Bailey (Officeholder No: 8780) of BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT and Danny Dartnaill (Officeholder No: 10110) of BDO LLP, Level 12, Thames Tower, Station Road, Reading, Berkshire, RG1 1LX were appointed Joint Administrators on 23 May 2019.

The Joint Administrators may also be contacted by via Nadine Naylor at BRCMT@bdo.co.uk.

NOTICE IS GIVEN, pursuant to Paragraph 51 of Schedule B1 to the Insolvency Act 1986 that the Joint Administrator's proposals will be dealt with by deemed consent by the Decision date: **1 August 2019**. The proposals are:

- (a) They continue to manage the Company's business and realise assets in accordance with Objective 2 of the statutory purpose of the Administration.
- (b) They exit the Administration by way of a Creditors' Voluntary Liquidation and that Kerry Bailey & Danny Dartnaill will be the Joint Liquidators and will act jointly and severally.

For the avoidance of doubt: Other resolutions within the Joint Administrators report accompanying the proposals will be approved by postal resolution.

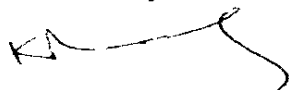
In order to object to the Joint Administrator's proposals a creditor must deliver, to me at the address below, by no later than 1 August 2019, a written notice stating that the creditor objects to the nomination. The objection must be accompanied by a proof of debt (form attached) otherwise the creditor's objection will be disregarded. A creditor with a 'small debt' £1,000 or less must still submit a proof of debt if submitting a notice of objection. The threshold is 10% in value of the creditors who are entitled to vote.

Creditors may within five business days of this notice require a physical meeting be held to consider the matter.

It is the convenor's responsibility to aggregate the objections to see if the threshold is met. If the threshold is met the deemed consent procedure will terminate. It will then be necessary for the convenor to arrange for a meeting of creditors to decide on the resolutions put to creditors. If less than 10% in value of creditors object, the creditors are treated as having approved above resolutions.

Appeals against decisions (Rule.15.35): Creditors may appeal to the court in respect of the convenor's decision. Any appeal must be made within 21 days of the Decision date stated above.

Date: 16 July 2019



Kerry Bailey
Joint Administrator and Convenor of the Decision Process

Rococo Chocolates Ltd**Notice of Arranging a Decision Procedure for Creditors by
Correspondence**

Rule 15.8
Insolvency
(England and
Wales) Rules
2016

**The Insolvency Act 1986 - NOTICE OF ARRANGING A DECISION PROCEDURE
FOR CREDITORS BY CORRESPONDENCE**

To consider whether a creditors' committee should be established and the approval of other resolutions set out below

Name of Company Rococo Chocolates Ltd	Company number 03401779
In the High Court of Justice Business and Property Courts of England & Wales Insolvency and Companies List [full name of court]	Court case number CR-2019-003235

The Joint Administrators are Kerry Bailey (Officeholder No: 8780) of BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT and Danny Dartnaill (Officeholder No: 10110) of BDO LLP, Level 12, Thames Tower, Station Road, Reading, Berkshire, RG1 1LX were appointed Joint Administrators on 23 May 2019.

NOTICE that the Creditors of the above-named Company are invited to make decisions as to whether to approve or reject the resolution below.

Decision Procedure: The creditors are invited to indicate by correspondence whether they approve or reject the resolution. A Decision by Correspondence form is attached for recording your vote. The completed form, together with details of your claim, if not already provided, must be sent to the Joint Administrators, whose details are below and on the attached form. Your response must be delivered to BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH before the Decision date below otherwise it cannot be counted. **Decision date: 1 August 2019**

Creditors may within five business days of this notice require a physical meeting be held to consider the matter. This is explained in more detail overleaf.

Any response may be sent by correspondence, using the attached form. To be valid your response must be received by the Administrator by no later than the Decision date which is 1 August 2019

RESOLUTION

- (c) That a creditors committee be established if sufficient creditors are willing to be members. (such committee must comprise of between 3 and 5 creditors)

In the event that a Creditors' committee is not established to **RESOLVE THAT**

- (d) The remuneration of the Joint Administrators' is approved on a time cost basis as set out in the fees estimate, and
- (e) The Joint Administrators' category 2 disbursements be approved on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to creditors

Date: 16 July 2019



Kerry Bailey
Joint Administrator and Convenor of the decision process



Certain Rules apply to decision procedures. The full text of the Rules is attached but the effect of those Rules is summarised below:

Creditor Voting rights (R.15.28): Every creditor who has this notice is entitled to vote in respect of the debt due to the creditor. Where there is a physical meeting the creditor must submit a proxy form (not relevant at this stage). Creditors, including creditors whose debt is treated as a 'small debt' (£1,000 or less) must still deliver a proof for voting purposes, they have not already done so.

Calculation of creditors voting rights (R.15.31): In respect of this Administration creditors' claims will be calculated as at the date the company entered Administration being: 23 May 2019. Claims that have an uncertain value will be subject to £1, or a higher value if the chairman allows.

Requisite majority of creditors for making a decision (15.34): An Administration decision is approved if a majority of creditors, by value vote, in favour by the Decision date.

Appeals against decisions (R.15.35): Decisions of the Joint Administrator in convening the Decision Procedure and dealing with voting is subject to appeal to the court by a creditor. Any appeal must be made within 21 days of the Decision date.

Physical Meeting: If creditors want to consider the resolutions at a physical meeting they must notify in writing the Joint Administrator, whose details are above, within five business days of delivery of this notice. A meeting will be convened if sufficient creditors notify the Administrators within the timeframe. Section 246ZE The insolvency Act sets the "minimum number" of creditors for requisitioning a meeting at any of the following:

- (a) 10% in value of the creditors or contributories;
- (b) 10% in number of the creditors or contributories;
- (c) 10 creditors or contributories.

Extract from the Insolvency (England and Wales) Rules 2016

Creditors' voting rights

15.28.—(1) In an administration, an administrative receivership, a creditors' voluntary winding up, a winding up by the court and a bankruptcy, a creditor is entitled to vote in a decision procedure or to object to a decision proposed using the deemed consent procedure only if—

- (a) the creditor has, subject to 15.29, delivered to the convener a proof of the debt claimed in accordance with paragraph (3), including any calculation for the purposes of rule 15.31 or 15.32, and
- (b) the proof was received by the convener—
 - (i) not later than the decision date, or in the case of a meeting, 4pm on the business day before the meeting, or
 - (ii) in the case of a meeting, later than the time given in sub-paragraph (i) where the chair is content to accept the proof; and
- (c) the proof has been admitted for the purposes of entitlement to vote.

(2) In the case of a meeting, a proxy-holder is not entitled to vote on behalf of a creditor unless the convener or chair has received the proxy intended to be used on behalf of that creditor.

(3) A debt is claimed in accordance with this paragraph if it is—

- (a) claimed as due from the company or bankrupt to the person seeking to be entitled to vote; or
- (b) in relation to a member State liquidator, claimed to be due to creditors in proceedings in relation to which that liquidator holds office.

(4) The convener or chair may call for any document or other evidence to be produced if the convener or chair thinks it necessary for the purpose of substantiating the whole or any part of a claim.

(5) In a decision relating to a proposed CVA or IVA every creditor, secured or unsecured, who has notice of the decision procedure is entitled to vote in respect of that creditor's debt.

(6) Where a decision is sought in an administration under sub-paragraph 3.52(3)(b) (pre administration costs), paragraph 18.18(4) (remuneration: procedure for initial determination in an administration) or paragraph 18.26(2) (first exception: administrator has made statement under paragraph 52(1)(b) of Schedule B1), creditors are entitled to participate to the extent stated in those paragraphs.

Calculation of voting rights

15.31.—(1) Votes are calculated according to the amount of each creditor's claim—

- (a) in an administration, as at the date on which the company entered administration, less—
 - (i) any payments that have been made to the creditor after that date in respect of the claim, and



- (ii) any adjustment by way of set-off which has been made in accordance with rule 14.24 or would have been made if that rule were applied on the date on which the votes are counted;
- (b) in an administrative receivership, as at the date of the appointment of the receiver, less any payments that have been made to the creditor after that date in respect of the claim;
- (c) in a creditors' voluntary winding up, a winding up by the court or a bankruptcy, as set out in the creditor's proof to the extent that it has been admitted;
- (d) in a proposed CVA—
 - (i) at the date the company went into liquidation where the company is being wound up,
 - (ii) at the date the company entered into administration (less any payments made to the creditor after that date in respect of the claim) where it is in administration,
 - (iii) at the beginning of the moratorium where a moratorium has been obtained (less any payments made to the creditor after that date in respect of the claim), or
 - (iv) where (i) to (iii) do not apply, at the decision date;
- (e) in a proposed IVA—
 - (i) where the debtor is not an undischarged bankrupt—
 - (aa) at the date of the interim order, where there is an interim order in force,
 - (bb) otherwise, at the decision date,
 - (ii) where the debtor is an undischarged bankrupt, at the date of the bankruptcy order.
- (2) A creditor may vote in respect of a debt of an unliquidated or unascertained amount if the convener or chair decides to put upon it an estimated minimum value for the purpose of entitlement to vote and admits the claim for that purpose.
- (3) But in relation to a proposed CVA or IVA, a debt of an unliquidated or unascertained amount is to be valued at £1 for the purposes of voting unless the convener or chair or an appointed person decides to put a higher value on it.
- (4) Where a debt is wholly secured its value for voting purposes is nil.
- (5) Where a debt is partly secured its value for voting purposes is the value of the unsecured part.
- (6) However, the value of the debt for voting purposes is its full value without deduction of the value of the security in the following cases—
 - (a) where the administrator has made a statement under paragraph 52(1)(b) of Schedule B1 and the administrator has been requested to seek a decision under paragraph 52(2); and
 - (b) where, in a proposed CVA, there is a decision on whether to extend or further extend a moratorium or to bring a moratorium to an end before the end of the period of any extension.
- (7) No vote may be cast in respect of a claim more than once on any resolution put to the meeting; and for this purpose (where relevant), the claim of a creditor and of any member State liquidator in relation to the same debt are a single claim.
- (8) A vote cast in a decision procedure which is not a meeting may not be changed.
- (9) Paragraph (7) does not prevent a creditor or member State liquidator from—
 - (a) voting in respect of less than the full value of an entitlement to vote; or
 - (b) casting a vote one way in respect of part of the value of an entitlement and another way in respect of some or all of the balance of that value.

Requisite majorities

- 15.34.—(1) A decision is made by creditors when a majority (in value) of those voting have voted in favour of the proposed decision, except where this rule provides otherwise.
- (2) In the case of an administration, a decision is not made if those voting against it—
 - (a) include more than half in value of the creditors to whom notice of the decision procedure was delivered; and
 - (b) are not, to the best of the convener or chair's belief, persons connected with the company.
 - (3) Each of the following decisions in a proposed CVA is made when three-quarters or more (in value) of those responding vote in favour of it—
 - (a) a decision approving a proposal or a modification;
 - (b) a decision extending or further extending a moratorium; or
 - (c) a decision bringing a moratorium to an end before the end of the period of any extension.
 - (4) In a proposed CVA a decision is not made if more than half of the total value of the unconnected creditors vote against it.
 - (5) For the purposes of paragraph (4)—
 - (a) a creditor is unconnected unless the convener or chair decides that the creditor is connected with the company;
 - (b) in deciding whether a creditor is connected reliance may be placed on the information provided by the company's statement of affairs or otherwise in accordance with these Rules; and
 - (c) the total value of the unconnected creditors is the total value of those unconnected creditors whose claims have been admitted for voting.
 - (6) In a case relating to a proposed IVA—
 - (a) a decision approving a proposal or a modification is made when three-quarters or more (in value) of those responding vote in favour of it;

(b) a decision is not made if more than half of the total value of creditors who are not associates of the debtor vote against it.

(7) For the purposes of paragraph (6)–

(a) a creditor is not an associate of the debtor unless the convener or chair decides that the creditor is an associate of the debtor;

(b) in deciding whether a creditor is an associate of the debtor, reliance may be placed on the information provided by the debtor's statement of affairs or otherwise in accordance with these Rules; and

(c) the total value of the creditors who are not associates of the debtor is the total value of the creditors who are not associates of the debtor whose claims have been admitted for voting.

Appeals against decisions under this Chapter

15.35.—(1) A decision of the convener or chair under this Chapter is subject to appeal to the court by a creditor, by a contributory, or by the bankrupt or debtor (as applicable).

(2) In a proposed CVA, an appeal against a decision under this Chapter may also be made by a member of the company.

(3) If the decision is reversed or varied, or votes are declared invalid, the court may order another decision procedure to be initiated or make such order as it thinks just but, in a CVA or IVA, the court may only make an order if it considers that the circumstances which led to the appeal give rise to unfair prejudice or material irregularity.

(4) An appeal under this rule may not be made later than 21 days after the decision date.

(5) However, the previous paragraph does not apply in a proposed CVA or IVA, where an appeal may not be made after the end of the period of 28 days beginning with the day—

(a) in a proposed CVA, on which the first of the reports required by section 4(6) or paragraph 30(3) of Schedule A1 was filed with the court(a); or

(b) in a proposed IVA—

(i) where an interim order has not been obtained, on which the notice of the result of the consideration of the proposal required by section 259(1)(a) has been given, or

(ii) otherwise, on which the report required by section 259(1)(b)(b) is made to the court.

(6) The person who made the decision is not personally liable for costs incurred by any person in relation to an appeal under this rule unless the court makes an order to that effect.

(7) The court may not make an order under paragraph (6) if the person who made the decision in a winding up by the court or a bankruptcy is the official receiver or a person nominated by the official receiver.

Extract from the Insolvency Act 1986 (as amended)

Section 246ZE Decisions by creditors and contributories: general

(1) This section applies where, for the purposes of this Group of Parts, a person ("P") seeks a decision about any matter from a company's creditors or contributories.

(2) The decision may be made by any qualifying decision procedure P thinks fit, except that it may not be made by a creditors' meeting or (as the case may be) a contributories' meeting unless subsection (3) applies.

(3) This subsection applies if at least the minimum number of creditors or (as the case may be) contributories make a request to P in writing that the decision be made by a creditors' meeting or (as the case may be) a contributories' meeting.

(4) If subsection (3) applies P must summon a creditors' meeting or (as the case may be) a contributories' meeting.

(5) Subsection (2) is subject to any provision of this Act, the rules or any other legislation, or any order of the court—

(a) requiring a decision to be made, or prohibiting a decision from being made, by a particular qualifying decision procedure (other than a creditors' meeting or a contributories' meeting);

(b) permitting or requiring a decision to be made by a creditors' meeting or a contributories' meeting.

(6) Section 246ZF provides that in certain cases the deemed consent procedure may be used instead of a qualifying decision procedure.

(7) For the purposes of subsection (3) the "minimum number" of creditors or contributories is any of the following—

(a) 10% in value of the creditors or contributories;

(b) 10% in number of the creditors or contributories;

(c) 10 creditors or contributories.

(8) The references in subsection (7) to creditors are to creditors of any class, even where a decision is sought only from creditors of a particular class.

(9) In this section references to a meeting are to a meeting where the creditors or (as the case may be) contributories are invited to be present together at the same place (whether or not it is possible to attend the meeting without being present at that place).

(10) Except as provided by subsection (8), references in this section to creditors include creditors of a particular class.

(11) In this Group of Parts "qualifying decision procedure" means a procedure prescribed or authorised under paragraph 8A of Schedule 8.

The Insolvency Act 1986 - NOTICE OF CONVENING A DECISION PROCEDURE FOR CREDITORS BY CORRESPONDENCE

Rococo Chocolates Ltd - In Administration
Registered Number: 03401179

RESOLUTIONS

(* Please indicate voting preference)

- (c) That a creditors' committee be established if sufficient creditors are willing to be members.

***Approved/Rejected**

Do you consent to be a member of the creditors' committee?

***Yes/No**

In the event that a Creditors' committee is not established to RESOLVE THAT

- (d) The remuneration of the Joint Administrators' is approved on a time cost basis as set out in the fees estimate.

***Approved/Rejected**

- (e) The Joint Administrators' category 2 disbursements be approved on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to creditors.

***Approved/Rejected**

TO BE COMPLETED BY THE CREDITOR WHEN RETURNING FORM

Name of Creditor

Signature of Creditor

(If signing on behalf of creditor, state capacity eg director/solicitor etc)

NOTE: This form must be accompanied by a proof of the amount due to the creditor unless a proof of debt/claim form has already been delivered. Creditors whose debt is treated as a 'small debt' (£1,000 or less) must still deliver a proof for voting purposes otherwise their vote will be disregarded.

**This form must be returned to Kerry Bailey (Officeholder IP No: 8780) at BDO LLP,
5 Temple Square, Temple Street, Liverpool, L2 5RH, by no later than the Decision
date 1 August 2019**

The Joint Administrator may also be contacted via Nadine Naylor at BRCMT@bdo.co.uk.

Kerry Bailey
Joint Administrator
16 July 2019

Proof of Debt/Claim Form
Rococo Chocolates Ltd - In Administration
Company No: 03401779

Debt as at the date of the appointment of Administrators: 23 May 2019

1	Name of creditor (If a company please also give company registration number and where registered).	
2	Address of creditor including email address for correspondence.	
3	Total amount of claim, including any Value Added Tax at the above date.	
4	If amount in 3 above includes outstanding un-capitalised interest please state amount.	£
5	Particulars of how and when debt incurred. (If you need more space append a continuation sheet to this form).	
6	Particulars of any security held, the value of the security, and the date it was given.	
7	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
8	Provide details of any documents by reference to which the debt can be substantiated. (Note: There is no need to attach them now but the Joint Administrator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convener of any meeting).	
9	Signature of creditor or person authorised to act on his behalf _____	Dated _____
Name in BLOCK LETTERS _____		
Position with or in relation to creditor _____		
Address of person signing (if different from 2 above) _____		

Deliver to the Joint Administrator, Kerry Bailey, Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH.

Questionnaire

Ref: KB/NN/00294545/A6/J6

Re: Rococo Chocolates Ltd - In Administration
Registered Number: 03401779

Creditor's name:	
Address:	
Estimated claim:	£
What was the authorised Credit limit?:	£
Was any security, guarantee or assurance given to you in respect of ongoing trade?:	
When did you first encounter delays in obtaining payment of your account, and do you have any evidence?:	
Please provide details of any legal proceedings you took to recover your debts:	
Please supply details of any cheques which were not honoured, including amounts and dates:	
If there is any other information you wish to supply, or issues you consider should be reviewed, please provide brief details on the reverse of this form.	
Date:	
Signature/ Authentication:	
Name:	
Position:	
Please return the completed form to BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH	

Rococo Chocolates Ltd

BDO LLP Policy in Respect of Fees and Expenses



Rococo Chocolates Ltd - In Administration

In accordance with best practice I provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within my firm who may be involved in working on the insolvency, follows:

GRADE	£
Partner	646
Manager	336-586
Assistant Manager	302
Senior Administrator	283
Administrator	165-283
Other Staff	89-105

This in no way implies that staff at all such grades will work on the case. The rates charged by BDO LLP are reviewed in December and July each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories:-

- Pre Appointment
- Steps upon Appointment
- Planning and Strategy
- General Administration
- Asset Realisation/Management
- Trading Related Matters
- Employee Matters
- Creditor Claims
- Reporting
- Distribution and Closure
- Other Issues.

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.

Other Costs

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.



1) Category 1

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents etc. In each case the recharge will be reimbursement of a specific expense incurred.

2) Category 2

We propose to recover from the estate the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff. Where costs are incurred in respect of mileage, approval will be sought in accordance with the Insolvency (England and Wales) Rules 2016 to recover this disbursement.

Where applicable, all disbursements will be subject to VAT at the prevailing rate.

BDO LLP
16 July 2019

AM03 Notice of Administrator's Proposals



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	Kerry Bailey
Company name	BDO LLP
Address	3 Hardman Street Spinningfields
Post town	Manchester
County/Region	
Postcode	M 3 3 A T
Country	
DX	BRNOTICE@bdo.co.uk
Telephone	01512 374 500



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