

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1	Company details
Company number	0 3 4 0 1 7 7 9
Company name in full	Rococo Chocolates Ltd

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

2	Liquidator's name
Full forename(s)	Kerry
Surname	Bailey

3	Liquidator's address
Building name/number	3 Hardman Street
Street	Spinningfields
Post town	Manchester
County/Region	
Postcode	M 3 3 A T
Country	

4	Liquidator's name ①
Full forename(s)	Danny
Surname	Dartnaill


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

5	Liquidator's address ②
Building name/number	Thames Tower, Level 12
Street	Station Road
Post town	Reading
County/Region	
Postcode	R G 1 1 L X
Country	

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

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report																
From date	d	2	d	7	m	0	m	5	y	2	y	0	y	2	y	2	
To date	d	2	d	6	m	0	m	5	y	2	y	0	y	2	y	3	
7	Progress report																
	<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date																
Liquidator's signature	<div>Signature</div> <div>  </div>																
Signature date	d	1	d	9	m	0	m	7	y	2	y	0	y	2	y	3	

LIQ03

Notice of progress report in voluntary winding up



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Kerry Bailey**

Company name **BDO LLP**

Address **5 Temple Square**

Temple Street

Post town **Liverpool**

County/Region

Postcode **L 2 5 R H**

Country

DX

Telephone **+44 (0) 1512 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 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

Rococo Chocolates Ltd
(In Liquidation)
Joint Liquidators' Trading Account

Statement of Affairs £	From 27/05/2022 To 26/05/2023 £	From 27/05/2020 To 26/05/2023 £
POST APPOINTMENT SALES		
NewCo Monies	NIL	93.25
	NIL	93.25
COST OF SALES		
Stock	NIL	2,704.80
	NIL	(2,704.80)
TRADING EXPENSES		
Pension contributions	NIL	2,652.97
	NIL	(2,652.97)
TRADING SURPLUS/(DEFICIT)	NIL	(5,264.52)

Rococo Chocolates Ltd
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 27/05/2022 To 26/05/2023 £	From 27/05/2020 To 26/05/2023 £
ASSET REALISATIONS		
Surplus from Administration	NIL	410,970.82
Legal settlement	80,001.00	80,001.00
Bank Interest Gross	NIL	206.44
Trading Surplus/(Deficit)	NIL	(5,264.52)
Rates refunds	NIL	7,593.88
	<u>80,001.00</u>	<u>493,507.62</u>
COST OF REALISATIONS		
Surplus of LTO funds	NIL	1,917.92
Notary fees - Trademarks	NIL	1,682.49
Liquidator's Fees	50,000.00	50,000.00
Debtor commission	NIL	3,208.59
Data Protection Fee	40.00	40.00
Legal Fees & Disbursements	150,380.28	205,615.92
Pre-administration legal fees and disbs	NIL	45,770.00
Corporation Tax	NIL	341.43
Stationery & Postage	NIL	817.15
Professional fees	NIL	1,907.99
Storage Costs	158.23	313.33
Statutory Advertising	NIL	183.00
Rents Payable	NIL	3,500.00
Insurance of Assets	NIL	5,113.25
	<u>(200,578.51)</u>	<u>(320,411.07)</u>
PREFERENTIAL CREDITORS		
Preferential RPS	NIL	6,889.62
Preferential Wages	NIL	1,295.57
	<u>NIL</u>	<u>(8,185.19)</u>
	<u>(120,577.51)</u>	<u>164,911.36</u>
REPRESENTED BY		
Vat Input		49,173.60
Bank 2 Current		200,375.83
Trade Creditors		(84,638.42)
Vat Control Account		0.35
		<u>164,911.36</u>

Note:

A preferential dividend of 100p in the £ was declared on the 18th November 2020 totalling £7,962.16.

A first and final unsecured dividend of 8.42p in the pound was declared on the 23 May 2023 totalling £97,330.00.



Rococo Chocolates Ltd In Creditors' Voluntary Liquidation

Joint Liquidators' progress report from
27 May 2022 to 26 May 2023

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GLOSSARY OF TERMS

Abbreviation or term	Meaning
'Act'	Insolvency Act 1986
'Addleshaw Goddard'	Addleshaw Goddard LLP
'HMRC'	HM Revenue & Customs
'Joint Liquidators' or 'we'	Kerry Bailey and Danny Dartnail
'net property'	Floating charge realisations after costs and payment of preferential creditors in full
'Period'	27 May 2022 to 26 May 2023
'preferential creditors'	Claims for unpaid wages earned in the four months prior to Liquidation up to £800, holiday pay and unpaid pension contributions in certain circumstances
'Prescribed Part'	Where a company has granted a floating charge after 15 September 2003, under Section 176A of the Act a proportion of the net property available to a QFCH is set aside for the unsecured creditors of that company
'QFCH'	Qualifying Floating Charge Holder
'Report'	Prepared in accordance with Rules 18.3 and 18.7 of the Rules
'Rules'	Insolvency (England and Wales) Rules 2016
'secured creditors'	Creditors whose debt is secured, in accordance with Section 248 of the Act
'the Company'	Rococo Chocolates Ltd
'unsecured creditors'	Creditors who are neither secured nor preferential

KEY INFORMATION

Background

Kerry Bailey and Danny Dartnaill were appointed Joint Liquidators of the Company on 27 May 2020. The Company was previously in Administration.

Purpose of the Report

This is the annual Report for the period from 27 May 2022 to 26 May 2023.

The main purpose of the Report is to provide you with an update on the progress of the Liquidation during the Period.

The Report can be reviewed in conjunction with all other reports regarding this Liquidation [and the preceding Administration], on the brportal.bdo.co.uk portal.

Return to creditors

The table below summarises the anticipated outcome for creditors, based on our current understanding of the case. Please note these figures may be subject to change.

Class of creditor	Current estimate	Previous estimate
Secured creditors	N/A	N/A
Preferential creditors	Paid in full	Paid in full
Unsecured creditors ^{1 & 2}	8p in the £	16p in the £

1. The Prescribed Part does not apply in the Liquidation as RBS IF was paid in full on 25 June 2019 under its fixed charge security.
2. The current estimate of the return to unsecured creditors has reduced from the previous estimate. This is as a result of the additional costs incurred in dealing with the application to Court which was brought from a creditor. Further detail is provided in the 'Unsecured creditors' section of this report.

What creditors need to do

The purpose of the Report is to provide you with an update only and the creditors of the Company do not need to take any actions at this time.

Creditors' rights

An overview of the rights of creditors are detailed in Appendix B.

Contact details

Contact: Patrick Argent
Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Tel: +44 (0)7586 481 610
Email: BRCMTNorthandScotland@bdo.co.uk
Reference: 00329340

PROGRESS IN THE PERIOD

Asset realisations

The receipts and payments account attached at Appendix C details the asset realisations during the Period.

Legal Settlement

A legal settlement of £80,001 has been received during the Period in relation to the court application brought by a creditor of the Company. Further detail is provided in the 'Unsecured creditors' section below.

All recoverable assets have been realised.

Distributions to creditors

Secured creditors

There were no outstanding charges at the date of the appointment of the Joint Liquidators, accordingly there are no secured creditors in this Liquidation.

Preferential creditors

A first and final preferential dividend of 100 pence in the pound was declared on 18 November 2020 and paid in December 2020. The total preferential dividend was £8,185.

Prescribed Part

At the date of appointment, the Company had no outstanding floating charge security granted after 15 September 2003 and therefore the Prescribed Part will not apply in this Liquidation.

Unsecured creditors

Unsecured creditor claims to date total £1.4 million.

As previously reported, in order to progress the distribution and to conclude the adjudication process, the Joint Liquidators issued a notice of intended dividend ('NOID') to unsecured creditors on 14 February 2022, which provided notice that a first and final dividend to unsecured creditors would be declared.

However, shortly after issuing the NOID, the Joint Liquidators received notice of an application to court from a creditor of the Company. The application sought to establish that a historic debenture subsists and sought a stay on the declaration of the dividend until a resolution could be reached on the matter.

Upon receipt of the court application, the Joint Liquidators obtained legal advice from solicitors Addleshaw Goddard. As a result of that advice, it was considered that the Joint Liquidators should issue a cross application to Court seeking consent for the extension of the deadline for the dividend declaration (being 10 May 2022), and also directions on the claim which related to the initial court application. The cross application was issued to Court on 5 May 2022.

Approval for the extension of the dividend was received from the Court and an initial hearing to consider the applications was held on 25 May 2022. The Court ordered that a further hearing be held on 16 August 2022 to fully consider the applications and for a further extension of the deadline for the dividend declaration until after the date of the next hearing.

During the hearing on 16 August 2022, the creditor withdrew their initial application. The Court ordered a further hearing on 24 January 2023 for the purpose of determining legal costs incurred as a result of the application. A further extension of the deadline for the dividend declaration was made until after the issue of costs had been concluded.

A decision on costs could not be reached at the hearing on 24 January 2023 and the Court ordered that a full day hearing be held on 23 March 2023 to further consider the position as to liability for legal costs. During this hearing and having considered both legal costs to date, and the likely outcome of the hearing, a settlement was agreed for the sum of £80,000 to be paid to the Company by the creditor, in full and final settlement of legal costs.

Following discussions between the parties, a further hearing was requested to agree the final wording of the Court order. A final Court hearing was held on 4 April 2023 and the Court ordered that the agreed settlement should be paid within 30 days of the order and that a dividend be paid to unsecured creditors within 28 days of receipt of the settlement. Payment of the settlement has now been received in full.

On 23 May 2023 a first and final dividend of £8.42p in the £ was declared to unsecured creditors. The unsecured creditor dividend totalled £97,330. Payment of the dividend is outside the reporting period and therefore not included in the attached Receipts and Payments account.

Other matters

In addition to the above matters, we have dealt with all statutory matters required by legislation and administrative work incidental to our duties as Joint Liquidators in this Liquidation.

Joint Liquidators' remuneration

The Joint Liquidators' remuneration was approved on a time costs basis in accordance with the revised fees estimate circulated to creditors on 3 May 2023 by creditors on 18 May 2023.

During the Period, time costs of £64,276 were incurred over 180 hours at an average rate of £357 per hour. The Joint Liquidators have drawn remuneration of £50,000 in line with the approval given, as shown on the enclosed receipts and payments account at Appendix C.

A detailed report of the time incurred by the Joint Liquidators and a narrative of the work done during the Period is attached in Appendix D.

Joint Liquidators' expenses

Expenses paid during the Period are detailed in the receipts and payments account at Appendix C.

A breakdown of expenses incurred is set out in Appendix E.

FUTURE ACTIONS

As previously reported, the final dividend to unsecured creditors was the principle outstanding matter to be concluded in the Liquidation. The final dividend has now been paid and therefore the Joint Liquidators will now take steps to close the Liquidation and the following matters will be undertaken:

Professional Fees and Expenses

The Joint Liquidators final approved fees and expenses will be paid prior to closure of the Liquidation.

Tax

Final VAT returns will be submitted for the Liquidation period. The Joint Liquidators will ensure all tax matters are finalised and tax clearance is obtained.

Closure

The Joint Liquidators will now commence steps to close the Liquidation. This includes preparation of a final statutory report to creditors, dealing with any unclaimed dividends and other general case closure administration.

APPENDIX A

STATUTORY INFORMATION

Information

Company name	Rococo Chocolates Ltd
Company registration number	03401779
Registered office	C/o BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Date of appointment	27 May 2020
Joint Liquidators	<p>Kerry Bailey Danny Dartnaill</p> <p><i>Under the provisions of section 231 of the Act the Joint Liquidators carry out their functions jointly and severally meaning any action can be done by one Liquidator or by both of them.</i></p>
Joint Liquidators' address	BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT
Data Control and GDPR	<p>Kerry Bailey and Danny Dartnaill are authorised to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales in the UK. The Joint Liquidators are Data Controllers as defined by the General Data Protection Regulations. BDO LLP will act as Data Processor on the instruction of the Data Controllers. Personal data will be kept secure and processed only for matters relating to the Liquidation of Rococo Chocolates Ltd. Please see the privacy statement at https://www.bdo.co.uk/en-gb/privacy-notices/insolvencies</p>

APPENDIX B

CREDITORS' RIGHTS

Within 21 days of receipt of the Report (1) a secured creditor, (2) an unsecured creditor with the concurrence of at least 5% in value (including the creditor in question) of the unsecured creditors; or (3) any unsecured creditor with the permission of court, may request in writing that the Joint Liquidators provide further information about their remuneration or expenses which are itemised in the Report.

Within 14 days of receipt of the request, the Joint Liquidators must provide all of the information asked for, unless they think that:

- the time or cost in preparing the information would be excessive, or
- disclosure of the information would be prejudicial to the conduct of the Liquidation or might reasonably be expected to lead to violence against any person, or
- the Joint Liquidators are subject to confidentiality obligations in respect of the information.

The Joint Liquidators must give reasons for not providing all of the requested information.

Any secured creditor or an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors may, within eight weeks of receipt of the Report, make an application to court that the basis fixed for the Joint Liquidators' remuneration, the remuneration charged, or the expenses incurred by the Joint Liquidators, as set out in the Report, are excessive.

Copies of BDO LLP's charging and expenses policy, 'A Creditors' Guide to Liquidators' Fees' and information on the rights, duties and functions of a liquidation committee are available at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.

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 us but are not satisfied with the response, 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.

The Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this Liquidation. A copy of the code can be found at <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

APPENDIX C

RECEIPTS AND PAYMENTS ACCOUNT

Rococo Chocolates Ltd
(In Liquidation)
Joint Liquidators' Trading Account

Statement of Affairs £	From 27/05/2022 To 26/05/2023 £	From 27/05/2020 To 26/05/2023 £
POST APPOINTMENT SALES		
NewCo Monies	NIL	93.25
	NIL	93.25
COST OF SALES		
Stock	NIL	2,704.80
	NIL	(2,704.80)
TRADING EXPENSES		
Pension contributions	NIL	2,652.97
	NIL	(2,652.97)
TRADING SURPLUS/(DEFICIT)	NIL	(5,264.52)

Rococo Chocolates Ltd
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 27/05/2022 To 26/05/2023 £	From 27/05/2020 To 26/05/2023 £
ASSET REALISATIONS		
Surplus from Administration	NIL	410,970.82
Legal settlement	80,001.00	80,001.00
Bank Interest Gross	NIL	206.44
Trading Surplus/(Deficit)	NIL	(5,264.52)
Rates refunds	NIL	7,593.88
	<u>80,001.00</u>	<u>493,507.62</u>
COST OF REALISATIONS		
Surplus of LTO funds	NIL	1,917.92
Notary fees - Trademarks	NIL	1,682.49
Liquidator's Fees	50,000.00	50,000.00
Debtor commission	NIL	3,208.59
Data Protection Fee	40.00	40.00
Legal Fees & Disbursements	150,380.28	205,615.92
Pre-administration legal fees and disbs	NIL	45,770.00
Corporation Tax	NIL	341.43
Stationery & Postage	NIL	817.15
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Storage Costs	158.23	313.33
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Rents Payable	NIL	3,500.00
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Preferential Wages	NIL	1,295.57
	<u>NIL</u>	<u>(8,185.19)</u>
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REPRESENTED BY		
Vat Input		49,173.60
Bank 2 Current		200,375.83
Trade Creditors		(84,638.42)
Vat Control Account		0.35
		<u>164,911.36</u>

Note:

A preferential dividend of 100p in the £ was declared on the 18th November 2020 totalling £7,962.16.

A first and final unsecured dividend of 8.42p in the pound was declared on the 23 May 2023 totalling £97,330.00.

APPENDIX D

JOINT LIQUIDATORS' REMUNERATION

The Joint Liquidators' remuneration has been approved on a time costs basis, capped at £117,525, in accordance with the Fees Estimate circulated to creditors on 3 May 2023.

Time costs of £64,276 have been incurred during the Period and a breakdown is detailed below, together with details of the work undertaken.

Activity	Partner	Director	Senior manager	Manager	Senior executive	Executive	Total hours	Time costs £	Av. Rate £
Steps on appointment	0.55	-	-	-	-	-	0.55	379.50	690.00
Planning and strategy	2.45	0.25	3.70	-	0.50	-	6.90	3,752.95	543.91
General administration	1.15	2.50	9.80	1.15	22.15	20.95	57.70	12,373.45	214.44
Creditors' claims	-	2.60	69.05	-	5.20	-	76.85	35,636.80	463.72
Reporting	0.70	2.20	15.30	-	4.70	6.00	28.90	9,197.20	318.24
Distribution and closure	-	-	6.45	-	2.80	-	9.25	2,936.10	317.42
TOTAL	4.85	7.55	104.30	1.15	35.35	26.95	180.15	64,276.00	356.79

Details of the work undertaken in the Period is detailed below.

Planning and strategy

- Preparation of strategy documents, including file reviews
- Liaising with solicitors to discuss strategy with regard to ongoing court application

General administration

- Ongoing maintenance and reconciliation of the Liquidation bank account and other cashiering functions
- Obtaining approval for the basis of the Joint Liquidators' remuneration
- Preparing and submitting VAT returns
- General case administration and maintenance of case file

Creditor claims

- Processing of creditors' claim forms and entering onto IPS
- Adjudication of creditor claims
- Correspondence with creditors including review of historic correspondence
- Liaising with solicitors during Court application process

- Attending/making representation at Court hearings
- Review of Court documents and discussions with internal risk team of the same

Reporting

- Preparation and distribution of the progress report to members and creditors
- Preparation and distribution of remuneration report to members and creditors

Distribution and closure

- Notification of the intention to declare a dividend
- Agreement of unsecured creditors' claims
- Calculation of unsecured creditors' claims
- Matters relating to issuing of the dividend to unsecured creditors
- Distribution and closure planning

The current charge out rates per hour of staff within the firm who may be involved in working on the Liquidation are as follows:

Grade	£
Partner	690
Director	386-772
Senior Manager	322-643
Manager	176-470
Senior Executive	141-328
Executive	86-173
BDO LLP tax department (max)	1208

Cumulative time incurred to fees estimate comparison

Total time costs of £220,358 have been incurred over the course of the Liquidation to 26 May 2023, as detailed below.

Activity	Estimated			Total Incurred		
	Hours	Average Rate £	Time costs £	Hours	Average Rate £	Time costs £
Steps on appointment	8.10	309.62	2,507.95	8.10	309.52	2,507.95
Planning and strategy	30.55	500.25	15,282.70	31.10	502.72	15,634.45
General administration	258.80	204.67	52,968.20	256.20	204.52	52,396.80
Asset realisation/dealing	6.60	411.06	2,713.00	6.60	411.06	2,713.00
Employee matters	1.85	153.81	284.55	1.85	153.81	284.55
Creditors' claims	356.75	305.47	109,975.30	370.85	309.58	114,807.35
Reporting	59.95	309.36	18,546.00	59.65	301.72	17,997.45
Distribution and closure	99.50	283.08	28,166.06	45.85	305.70	14,016.55
TOTAL	822.10	279.09	229,443.76	780.20	282.44	220,358.10

APPENDIX E

JOINT LIQUIDATORS' EXPENSES

The Joint Liquidators' expenses incurred and paid are detailed below.

	Estimated £	Incurred in Period 27/05/2022 to 26/05/2023 £	Total Incurred 27/05/2020 to 26/05/2023 £	Total Paid 27/05/2020 to 26/05/2023 £
Category 1				
Surplus of LTO funds	-	-	1,917.92	1,917.92
Notary fees - Trademarks	-	-	1,682.49	1,682.49
Debtor commission	-	-	3,208.59	3,208.59
Data Protection Fee	-	40.00	40.00	40.00
Legal Fees & Disbursements	-	150,380.28	205,615.92	205,615.92
Pre-administration legal fees and disbs	-	-	45,770.00	45,770.00
Corporation Tax	-	-	341.43	341.43
Stationery & Postage	-	-	817.15	817.15
Professional fees	-	-	1,907.99	1,907.99
Storage Costs	-	158.23	313.33	313.33
Statutory Advertising	-	-	183.00	183.00
Rents Payable	-	-	3,500.00	3,500.00
Insurance of Assets	-	-	5,113.25	5,113.25
Statutory Bonding	-	-	100.00	0.00
Data Protection Fee	-	-	80.00	0.00
Staff Travel	-	434.72	434.72	0.00

Category 2

- As previously detailed, Addleshaw Goddard has been instructed to provide legal advice and assistance to the Joint Liquidators in relation to the court application and subsequent court hearings. Significant time has been spent by Addleshaw Goddard during the Period in the following key areas:
 - Providing advice in relation to extensive correspondence received from respondents to the applications and key stakeholders;
 - Drafting of legal documentation in relation to applications and subsequent court hearings;
 - Liaising with Joint Liquidators and counsel in relation to applications and court hearings;
 - Attendance at court hearings;
 - Assisting with agreement and recovery of agreed settlement in relation to the court application; and
 - Providing advice in relation to adjudication of certain unsecured claims and the Joint Liquidators' duties to creditors.

Addleshaw Goddard were selected due to their knowledge and expertise in dealing with matters of this nature.

The other expenses shown are self-explanatory.

