

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please



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16/11/2018

#174

COMPANIES HOUSE

FRIDAY

1 Company details

Company number 0 7 2 6 2 9 3 3

Company name in full Rich & Famous Limited
t/a Papa Johns

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

2 Liquidator's name

Full forename(s) Kikis Kallis FCCA

Surname FABRP

3 Liquidator's address

Building name/number Mountview Court

Street 1148 High Road

Post town Whetstone

County/Region

Postcode L o n d o n , N 20 0BA

Country

4 Liquidator's name ①

Full forename(s)

Surname

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

5 Liquidator's address ①

Building name/number

Street

Post town

County/Region

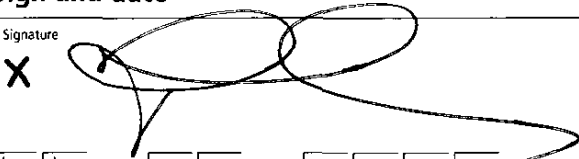
Postcode

Country

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

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6	Period of progress report															
From date	d	1	d	5	m	0	m	9	y	2	y	0	y	1	y	7
To date	d	1	d	4	m	0	m	9	y	2	y	0	y	1	y	8
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	Signature 															
Signature date	d	1	d	2	m	1	m	1	y	2	y	0	y	1	y	8

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**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 **Kikis Kallis FCCA FABRP**Company name **Kallis & Company**Address **Mountview Court
1148 High Road**Post town **Whetstone**County/Region **London**Postcode **N 2 0 0 R A**

Country

DX

Telephone **020 8446 6699****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.

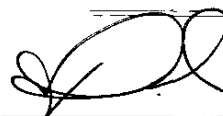
**Further information**

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

Rich & Famous Limited t/a Papa Johns
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £	From 15/09/2017 To 14/09/2018 £	From 15/09/2016 To 14/09/2018 £
ASSET REALISATIONS		
Refund of Management fees	1,001.37	1,001.37
Surplus from Administration	NIL	49,170.74
Bank Interest Gross	16.37	21.13
	<u>1,017.74</u>	<u>50,193.24</u>
COST OF REALISATIONS		
Administrator's Fees (Outstanding)	NIL	23,596.50
Liquidator's Fees	9,000.00	10,403.50
Debt Collection Fees	NIL	639.62
Corporation Tax	2,886.40	2,889.80
	<u>(11,886.40)</u>	<u>(37,529.42)</u>
UNSECURED CREDITORS		
Trade & Expense Creditors	5,000.00	5,000.00
	<u>(5,000.00)</u>	<u>(5,000.00)</u>
	<u>(15,868.66)</u>	<u>7,663.82</u>
REPRESENTED BY		
Bank 1 Current Interest Bearing		7,663.82
		<u>7,663.82</u>



Kikis Kallis FCCA FABRP
Liquidator

**Rich & Famous Limited t/a Papa Johns
IN CREDITORS' VOLUNTARY LIQUIDATION**

*LIQUIDATOR'S SECOND PROGRESS REPORT IN ACCORDANCE WITH RULE 18.3 OF THE
INSOLVENCY RULES 2016 FOR THE YEAR ENDING 14 SEPTEMBER 2018.*

Contents:

- 1. Statutory Information*
- 2. Introduction*
- 3. Liquidator's Actions Since Appointment*
- 4. Receipts And Payments*
- 5. Assets*
- 6. Liabilities*
- 7. Dividend Prospects*
- 8. Investigation Into The Affairs Of The Company*
- 9. Liquidator's Remuneration*
- 10. Office Holders' Fee Estimate*
- 11. Liquidator's Expenses*
- 12. Further Information*
- 13. Summary*

Appendices:

- 1. Receipts & Payments Account for the period from 15 September 2017 to 14 September 2018 and for the period 15 September 2016 to 14 September 2018*
- 2. A schedule of actions undertaken under each category in the reporting period*
- 3. A schedule of time costs incurred in the Administration period.*
- 4. A schedule of Liquidator's time costs incurred to date and for the period from 15 September 2017 to 14 September 2018*
- 5. Fee Estimate Summary post 14 September 2018*
- 6. An explanatory note which shows Kallis & Company's fee policy*
- 7. Notice of Decision of fee increase*
- 8. Notice of invitation to form a Liquidation Committee*
- 9. Proof of debt form*

Rich & Famous Limited t/a Papa Johns – In Creditors' Voluntary Liquidation

LIQUIDATOR'S PROGRESS REPORT TO CREDITORS AND MEMBERS

For the year ending 14 September 2018.

1. STATUTORY INFORMATION

Company name: Rich & Famous Limited t/a Papa Johns

Registered office: Mountview Court 1148 High Road Whetstone London N20 0RA

Former registered office: The Pavilion, 56 Rosslyn Crescent, Harrow, Middlesex, HA1 2SZ

Registered number: 07262933

Liquidator's name: Kikis Kallis FCCA FABRP

Liquidator's address: Mountview Court, 1148 High Road, Whetstone, London, N20 0RA

Liquidator's date of appointment: 15 September 2016

2. INTRODUCTION

The Company traded as a pizza delivery company from premises at 68 Station Road, Addlestone, KT15 2AF; 1348 London Road, Norbury, London SW16 4DG; 479 Norwood Road, West Norwood, London SE27 9DJ; and 413 Durnsford Road, Southfields, London, SW19 8EE

At the commencement of the liquidation, there were no outstanding asset realisations following the move from the Administration. The surplus from the Administration estate of £49,170.74 has been transferred to the Liquidation and I have realised bank interest of £21.13. In addition, I have realised a refund of £1,001.37 which was in respect of management fees.

My report on the progress in the liquidation for the year ended 14/09/2017 follows, which should be read in conjunction with my previous correspondence with creditors.

3. LIQUIDATOR'S ACTIONS SINCE LAST REPORT

Since my last report, I have spent time reviewing and adjudicating creditor claims in order to make a distribution to creditors. Further explained in Section 6, I would advise a first and final dividend was declared and paid on 07 February 2018.

There is also certain work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the creditors. A detailed list of the work undertaken since my last progress report is contained in Appendix 2.

4. RECEIPTS AND PAYMENTS

My Receipts & Payments Account for the period from 15 September 2017 to 14 September 2018 is attached at Appendix 1.

As the Company was registered for VAT, all items are shown as net of VAT on the receipts & payments account, and the VAT was recovered for the benefit of the insolvent estate.

5. ASSETS

Refund of Management fees

Despite not being anticipated on the Statement of Affairs, a refund of £1,001.37 was received from HSBC Bank PLC in respect of management fees.

Surplus from Administration

The surplus from the Administration estate of £49,170.74 representing the balance in hand from the Administration was transferred to the Liquidation.

Bank Interest

I would advise that all asset realisations within the liquidation are held within an interest bearing account. I can confirm that interest totaling £21.13 has been received on the account, of which £16.37 was received in the reporting period.

6. LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company gave a fixed and floating charge to HSBC Bank plc ("HSBC") on 17 August 2011.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case, there were no amounts due to HSBC at the date of administration. As a result, no money will be paid to them under their fixed or floating charge, and the prescribed part provisions will not apply.

Preferential Creditors

No preferential claims were expected and none have been received as all the Company's employees were transferred to the Purchaser in accordance with the TUPE regulations during the Administration.

Non-preferential unsecured Creditors

The statement of affairs included 24 unsecured creditors with an estimated total liability of £934,782.66, of which £42,910.56 was expected to be owed to HMRC. I have received claims from 17 creditors at a total of £1,710,891.22, including HMRC's final claim of £984,290.80. To date I have not received claims from 8 creditors with original estimated claims in the statement of affairs of £41,709.00.

The HMRC claim received is much higher than anticipated due to penalties being charged for under declaration of VAT.

7. DIVIDEND PROSPECTS

There will not be any further dividend declared to non-preferential unsecured creditors as the funds realised have been used to pay prior dividends to non-preferential unsecured creditors, and to meet the expenses of the Liquidation. The dividends paid to unsecured creditors are as follows:

On 07 February 2018, a first and final dividend of 0.29p in the £ was declared and paid. A total of £5,000.00 was distributed to 17 unsecured creditors in this regard.

8. INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. I had already conducted my investigations while the company was in Administration.

Apart from HMRC investigations which are detailed in my previous reports, there are no other matters that justified further investigation in the circumstances of this appointment.

Within six months of my appointment as Liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

9. LIQUIDATOR'S REMUNERATION

Originally my remuneration was approved during the Administration period on a time cost basis based on a fees estimate of £60,334.00. Following a request for an increase towards my remuneration in my previous report, I would advise on 04/12/2017 my remuneration was approved by creditors and has increased to £70,789.00. The fee estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors. My Administration fees totalled £54,672.50, of which £29,900.00 was drawn in the Administration period. My outstanding work in progress as Administrator amounted to £23,596.50 which has been drawn from the liquidation. I have drawn £10,403.50 in the liquidation in respect of my fees, of which £9,000 was drawn in the period between 15/09/2017 and 14/09/2018.

My total time costs in the Liquidation to date amounts to £16,164.50, representing 93.20 hours of work at a blended charge out rate of £173.44 per hour, of which £13,578.50, representing 79.20 of hours work, was charged in the period between 15/09/2017 and 14/09/2018, at a blended charge out rate of £171.45 per hour.

The following table highlights any significant differences between my estimated time costs and my time costs incurred for the Administration and the Liquidation:

Description of categories	Estimated time	Estimated value of the time costs £	Blended charge out rate £	Actual time	Actual value of the time costs £	Actual blended charge out rate £
ADMINISTRATION (including FINANCIALS and CASE SPECIFIC MATTERS)	182.55	£45,035.00	£246.70	225.70	£46,485.00	£205.96
INVESTIGATIONS	44.50	£11,622.50	£261.18	51.40	£11,558.50	£224.87
REALISATION OF ASSETS	7.70	£1,789.00	£232.34	11.10	£2,912.50	£262.39
CREDITORS	52.70	£12,342.50	£234.20	46.10	£9,881.00	£214.34
GRAND TOTAL FOR ALL CATEGORIES OF WORK	287.45	£70,789.00	£246.27	334.30	£70,837.00	£211.90

A schedule of actions undertaken for each category in the reporting period is attached herewith as Appendix 2.

As detailed in my previous report, the reason for my time costs being higher than my original estimate of £60,334.00 was due to work that was not anticipated when my time costs estimates were made, in particular liaising with one of the Company's shareholders regarding his concerns of my appointment, and dealings with HMRC's claim following their investigation into the Company in respect of the under declaration of turnover.

10. OFFICE HOLDERS' FEE ESTIMATE

As at 14 September 2018, as you can see from the information provided in this report, the total time costs I have incurred in this matter, in respect of the categories of work for which I am being remunerated on a time cost basis, have exceeded the total estimated remuneration I set out in my increased fees estimate when my remuneration was authorised by the creditors. I intend to seek a decision to approve a further increase in my fees estimate from the creditors; more information about this is set out below.

From the date of the Administration to 14 September 2018 my total time costs of £70,837.00 has exceeded my increased fee estimate cap of £70,789.00. With further time costs anticipated to be spent to close the case, I estimate that it will cost an additional £5,272.00 to finalise the case.

My remuneration is currently capped at £70,789.00. My time costs for the Administration period from 06 October 2015 to 15 September 2016 total £54,672.00 (Appendix 3) and my time costs for the Liquidation period from 16 September 2016 to 15 September 2018 total £16,164.50 (Appendix 4). I now anticipate further time costs to be incurred to the date of the closure of the liquidation to be £5,272.00.

Therefore, I am seeking an increase of £5,320.00 from my current fee estimate cap of £70,789.00. The attached fee estimate summary (Appendix 5) shows that 27.60 hours at a total time cost of £5,272.00 and at a "blended" rate of £191.01 per hour will be undertaken to finalise the case.

The breakdown of the revised fee estimate is as follows:

	£
SIP 9 in admin period as per Appendix 3	54,672.50
SIP 9 in Liquidation period as per Appendix 4	16,164.50
Estimated Fee Summary as per Appendix 5	<u>5,272.00</u>
Total	<u><u>76,109.00</u></u>

This increased estimate will act as a cap on my time costs so that I cannot draw fees of more, than the total estimated time costs.

As you are aware, creditors have previously approved the basis of my fees. As mentioned above, I am now seeking to increase my fees, and in the absence of a Liquidation Committee it falls to the creditors to approve, or reject, my request. I am seeking a decision by correspondence from the creditors, and if you wish to vote on the decision, you must complete and return the enclosed voting form (Appendix 7) to me by no later than 23.59 on 12 December 2018, the decision date. If you have not already submitted proof of your debt, please complete the enclosed form (Appendix 9) and return it to me, together with the relevant supporting documentation. Your vote on the resolution(s) will not count unless you have lodged proof of your debt by no later than 23.59 on 12 December 2018.

You are also invited to determine whether to form a Liquidation Committee, and a notice of invitation to form a Liquidation Committee and further instructions are enclosed (Appendix 8). To enable you to make an informed decision as to whether you wish to either seek to form a Committee, or to nominate yourself to serve on a Committee, further information about the role of the Committee and what might be expected from its members has been prepared by R3 and can be found is available at the link <https://www.r3.org.uk/media/documents/publications/professional/R3-Guide-to-Creditors-Committees.pdf>.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, together with an explanatory note which shows Kallis & Company's fee policy are available at the link <http://www.kallis.co.uk/downloads>. Please note that there are different versions of the Guidance Notes and in this case you should refer to the October 2015 version.

11. LIQUIDATOR'S EXPENSES

As per my receipts and payments account various expenses have been incurred and paid which are detailed below, together with expenses which have yet to be paid. Unpaid expenses will be written off due to lack of funds.

The disbursements listed are all Category 1 disbursements, with the exception of storage which is a Category 2 disbursement. My firm's disbursements recovery policy is attached as Appendix 6.

	<u>Period from 15/09/2017 to 14/09/2018</u>		<u>To date</u>	
<u>Disbursement</u>	<u>Paid £</u>	<u>To be paid £</u>	<u>Paid £</u>	<u>To be paid £</u>
Statutory Advertising	-	84.30	-	84.30
Corporation Tax	2,886.40	-	2,889.80	-
Postage	-	20.41	-	37.64

FURTHER INFORMATION

An unsecured creditor may, with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Liquidator's remuneration and expenses within 21 days of their receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidator as being excessive, and/or the basis of the Liquidator's remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Kallis & Company can be found in the attached summary sheet at <http://www.kallis.co.uk/legal>.

SUMMARY

The Liquidation will remain open until all administration matters have been resolved. Once resolved the Liquidation will be finalised and our files will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Emilio Panayioutou on 020 8446 6699, or by email at Emilio@kallis.co.uk.

A handwritten signature in black ink, appearing to be 'Kikis Kallis', with a stylized, flowing script.

**Kikis Kallis FCCA FABRP
LIQUIDATOR**