

# LIQ03

## Notice of progress report in voluntary winding up



Companies House



### 1 Company details

Company number 0 7 2 9 3 0 1 4

Company name in full C.Palace Ltd

→ **Filling in this form**

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Martin C Armstrong FCCA FABRP

Surname FIPA

### 3 Liquidator's address

Building name/number Allen House

Street 1 Westmead Road

Post town Sutton

County/Region Surrey

Postcode S M 1 4 L A

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 ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② **Other liquidator**

Use this section to tell us about  
another liquidator.

LIQ03

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**6** Period of progress report

From date	<sup>d</sup> 0	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9
To date	<sup>d</sup> 0	<sup>d</sup> 2	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0

**7** Progress report

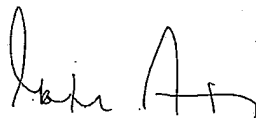
☐ The progress report is attached

**8** Sign and date

Liquidator's signature

Signature

X



X

Signature date

<sup>d</sup> 2	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 6	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0
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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	Lindsey Moore
Company name	Turpin Barker Armstrong
Address	Allen House
	1 Westmead Road
Post town	Sutton
County/Region	Surrey
Postcode	S M 1 4 L A
Country	
DX	tba@turpinba.co.uk
Telephone	020 8661 7878

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

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

**Where to send**

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

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

**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

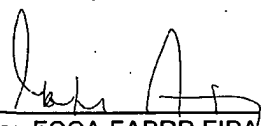
This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

**C.Palace Ltd  
(In Liquidation)  
Liquidator's Summary of Receipts & Payments**

Statement of Affairs £	From 03/05/2019 To 02/05/2020 £	From 03/05/2019 To 02/05/2020 £
	<b>FIXED CHARGE COSTS</b>	
	Legal Fees (1)	350.00
		(350.00)
	<b>ASSET REALISATIONS</b>	
13,891.00	Cash at Bank	13,824.94
NIL	Tangible assets	NIL
		13,824.94
	<b>COST OF ADMINISTRATION</b>	
	Specific Bond	80.00
	Statutory Advertising	150.00
	Telephone Telex & Fax	0.18
		(230.18)
	<b>UNSECURED CREDITORS</b>	
NIL	Directors	NIL
11,536.00	HM Revenue & Customs - CIS (refund	NIL
(34,257.00)	HM Revenue & Customs - PAYE/NI	NIL
(46,305.00)	HM Revenue & Customs - VAT	NIL
NIL	Trade & Expense Creditors	NIL
		NIL
	<b>DISTRIBUTIONS</b>	
(100.00)	Ordinary Shareholders	NIL
		NIL
<b>(55,235.00)</b>		<b>13,244.76</b>
	<b>REPRESENTED BY</b>	
	Bank - Current a/c	13,128.72
	Input VAT	116.04
		<b>13,244.76</b>

**Note:**

It should be noted that all figures stated in the Receipts and Payments Account are detailed net of VAT.

  
 Martin C Armstrong FCCA FABRP FIPA  
 Liquidator



**turpin barker armstrong**

Corporate Recovery and Insolvency

Allen House  
1 Westmead Road  
Sutton, Surrey SM1 4LA  
Tel: 020 8661 7878  
Fax: 020 8661 0598

E-mail: [tba@turpinba.co.uk](mailto:tba@turpinba.co.uk)

Internet: [www.turpinbarkerarmstrong.co.uk](http://www.turpinbarkerarmstrong.co.uk)

**Private and Confidential**

**TO ALL KNOWN MEMBERS AND CREDITORS**

Our ref LM/MCA/XC030

Your ref See address label, if known

Date 24 June 2020

Dear Sirs

**C.Palace Limited ("the Company") – In Creditors' Voluntary Liquidation**

This is my report to members and creditors following the 1st anniversary of my appointment as Liquidator.

In the absence of a Liquidation Committee it falls to the creditors to approve, or reject, my request for a fee increase. I am seeking a decision by correspondence from the creditors. If you wish to vote on the decision, you must complete and return the enclosed voting form to me by no later than 23.59 on 23 July 2020, the decision date. If you have not already submitted proof of your debt, please complete the enclosed proof of debt form and return it to me, together with the relevant supporting documentation. Your vote on the decision will not count unless you have lodged proof of your debt by no later than 23.59 on 23 July 2020.

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. 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 is available at the following link:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/creditor-guides/more/29111/page/1/liquidation-creditors-committees-and-commissioners/>

We are pleased to support



M.C. Armstrong FCCA FABRP FIPA MBA FNARA, D.C. Clark FCCA, J.E. Patchett FCCA FABRP  
D.A. Payne BA (Hons) FCA, B.I. Suckling BSc (Hons) FCCA, M.C. Card FPF'S Certs CB (MP & ER), A.R. Bailey MABRP MIPA  
A.W. Payne FFA/FBA, FFTA, DipPFS, CeMAP Consultant

Registered as auditors in the United Kingdom by the Association of Chartered Certified Accountants,  
M. C. Armstrong, J. E. Patchett and A. R. Bailey are licensed to act as Insolvency Practitioners in the United Kingdom  
by the Institute of Chartered Accountants in England and Wales.

turpin barker armstrong's privacy policy can be found on our website at <https://www.turpinbarkerarmstrong.co.uk/privacy.html>



The following documents are enclosed with this report:

- Notice of decisions for which approval is sought;
- Notice of invitation to form a Liquidation Committee
- Proof of debt form; and
- Proxy form.

Please note that I must receive at least one vote by the decision date or the decision will not be made. I would therefore urge you to respond promptly.

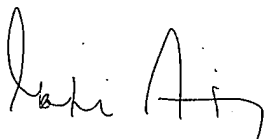
In order to reduce the risk posed by Covid-19 please send all correspondence and related documentation to Turpin Barker Armstrong by email only where possible, unless hard copies are requested or are required. We are fully operational although our workforce is currently working remotely.

Should any creditor or group of creditors wish to request a physical meeting of creditors, they must do so within 5 business days of the delivery of the notice that accompanies this letter. Such requests must be supported by proof of their debt, if not already lodged. I will convene a meeting if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."

In these exceptional times, the insolvency profession is trying to operate within a legal and regulatory framework that was not designed with Covid-19 restrictions in mind. We believe that the Government is considering temporary legislation to relax some requirements, but until those changes are made, we must take some steps in the interests of public health and the safety of our clients and stakeholders. As a result, if anyone requests a physical meeting, we will not be able to comply fully with the statutory requirement to convene a physical meeting. We will be able to convene a meeting for a place, date, and time that complies with the legislation, although some time limits may have to be amended to allow for difficulties in drafting and delivering notices under the restrictions. However, nobody will be able to physically attend the meetings, other than the insolvency practitioner acting for the convener, or the convener, depending on the venue used for the meeting, and everyone else will only be able to attend remotely. We trust that you will understand that these steps are necessary while the current restrictions are in force and we would request that, if you are thinking of requesting a physical meeting, you email or telephone us using the contact details below to discuss any concerns you have and see if an alternative solution can be found to avoid the need for a physical meeting.

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 Lindsey Moore by email at [lindsey.moore@turpinba.co.uk](mailto:lindsey.moore@turpinba.co.uk), or by phone on 020 8661 7878.

Yours faithfully



Martin C Armstrong FCCA FABRP FIPA MBA FNARA  
Liquidator  
Enc.



## **C.Palace Limited ("the Company") – In Creditors' Voluntary Liquidation**

### **LIQUIDATOR'S PROGRESS REPORT TO CREDITORS AND MEMBERS**

**For the year ending 2 May 2020**

#### **EXECUTIVE SUMMARY**

This is my report to members and creditors following the 1<sup>st</sup> anniversary of my appointment as Liquidator. The detailed report is below, but in summary:

- The Company was placed into creditors' voluntary liquidation on 3 May 2019 and I was appointed as Liquidator.
- The only asset according to the Statement of Affairs (SOA) was cash at bank of £13,891. I have realised a total of £13,824.94 and no further realisations are anticipated.
- According to the SOA, HMRC was the only creditor in the sum of £69,026. HMRC's final claim of £95,441 has been received.
- I have also received a claim from the former director however this claim has not been agreed.
- My investigations are ongoing. I have identified numerous transactions for which I require further information and explanation.
- It is possible that there may be a balance owing to the Company in respect of a Director's Loan Account and/or I may be able to make a claim in respect of withdrawals made after the presentation of the winding up petition.
- I have previously attempted to obtain approval for the basis of the liquidator's fees but did not receive a proxy from the sole creditor, HMRC. I have again included within this report details of the proposed basis of the liquidator's fees for approval.
- If I am unable to obtain creditor's approval, then I must apply to Court for an Order fixing the basis of my fees.

#### **STATUTORY INFORMATION**

Company name:	C. Palace Limited
Registered office:	Allen House 1 Westmead Road Sutton Surrey SM1 4LA
Former registered office:	208-210 Tooting High Street London London SE26 6UP
Registered number:	07293014
Liquidator's name:	Martin C Armstrong



Liquidator's address: Allen House  
1 Westmead Road  
Sutton  
Surrey  
SM1 4LA

Liquidator's date of appointment: 3 May 2019

#### **LIQUIDATOR'S ACTIONS SINCE APPOINTMENT**

My duties and functions as Liquidator are the realisation of the Company's assets, the agreement of the claims of creditors, investigation of the directors' conduct and the company's affairs generally, and the eventual distribution of the Liquidation funds between the creditors in accordance with their legal entitlements.

During the reporting period, I have undertaken the following tasks:

- Issued letters to both of the Company's bankers requesting the credit balance held be forwarded to me and delivery of the bank statements.
- Corresponded with the Company's accountant in respect of payroll records.
- Corresponded with the director and his advisor in respect of delivery of the Company's books and records.
- Prepared an initial report to creditors, including an estimate of my proposed fees and requesting approval of those fees in a decision by correspondence.
- Prepared a further report to creditors, including an estimate of my proposed fees and requesting approval of those fees in a decision by correspondence as there was no response to the initial report.
- Reviewed the books and records of the Company.
- Submitted my report to the Department for Business, Innovation and Skills on the conduct of the director.
- Corresponded with the director and his advisor for explanations and supporting documentation in respect of the transactions identified during my analysis of the company's bank statements.

I have summarised below the fee approval I am seeking, although more detail about the assets and liabilities of the Company and my proposed fees and expenses are set out in my report.

I am seeking approval from creditors that my remuneration as Liquidator is fixed on the following basis:

- a fixed fee of £15,000 for undertaking the following categories of work in the Liquidation, namely Administration, Creditors and Assets realised (cash at bank)
- time costs estimated at £6,930.00 at a "blended" rate of £301.30 per hour for undertaking Investigations. My previous estimate was £6,520 at a "blended" rate of £171.58 per hour. The increase reflects the higher level of staff utilised than previously anticipated to deal with the nature of the investigations.
- 15% of any realisations achieved as a result of my investigations.

During the reporting period 9.6 hours have been spent working on Investigations in the Liquidation, and time costs on this area of my work during the reporting period are £2,980.00 charged at an average charge out rate of £310.42.



Since the end of the reporting period, I have spent a further 2 hours, and further time costs of £700.00 charged at an average charge out rate of £350.00. A total of 11.6 hours has been spent on Investigations to date, incurring time costs of £3,680 at an average charge out rate of £317.24.

My investigations into withdrawals made by the director and a possible balance due to the company under a Director's Loan Account are ongoing and I estimate that further costs of £3,250 will be incurred.

There is 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 description of the routine work undertaken since my appointment as Liquidator is contained within Appendix 1.

## **RECEIPTS AND PAYMENTS**

My Receipts & Payments Account for the period from 3 May 2019 to 2 May 2020 is attached.

The balance of funds are held in a non-interest bearing estate bank account.

## **ASSETS**

### Cash at bank

The Statement of Affairs indicated that there was £12,998 held in the Company's bank account with Santander UK Plc and £893 held in the Company's bank account with Lloyds Bank plc. Both bank accounts were frozen shortly following advertisement of the winding up petition.

Following my appointment, I wrote to the banks requesting closure of the Company's bank accounts and the transfer of the balance held on the accounts to the Liquidation estate. I confirm that I have received a total sum of £13,824.94.

I was not aware of any other assets.

## **LIABILITIES**

### Secured Creditors

There are no charges registered over the assets of the Company.

### Preferential Creditors

The statement of affairs did not anticipate any preferential creditors.

As previously reported, the Company had employed one person, being the Director. It was not anticipated that any monies were owed to him in respect of outstanding holiday pay and wages and no claim has been received.

### Crown Creditors

The statement of affairs included £69,026 owed to HMRC. HMRC's final claim of £95,441 has been received.



This claim includes penalties and surcharges. Further, the director believed that there was a CIS refund due to the company of £11,536 which he had offset against the amounts due to HMRC when providing his estimate of the total liability to HMRC for the purposes of the Statement of Affairs.

#### Other Non-preferential unsecured Creditors

The statement of affairs did not include any other non-preferential unsecured creditors.

I have received a claim from the former director in the sum of £28,177 in respect of monies he states were advanced to the company and were outstanding as at 30 June 2018. I am reviewing this claim in conjunction with my investigations into the Director's Loan Account (see further comments under Investigations).

#### **DIVIDEND PROSPECTS**

The likelihood of a distribution to creditors is entirely dependent upon the realisation of any balance outstanding on the Director's Loan Account and the outcome of my ongoing investigations.

#### **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 am required by the Statements of Insolvency Practice to undertake such an initial investigation and the work detailed below has been undertaken in connection with that initial investigation.

Specifically, I recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the 2 years prior to the date of liquidation from the Company's bankers; and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the Liquidation and made enquiries about the reasons for the changes.

The bank statement analysis revealed that the director had made net withdrawals from the company account of £31,424 after the date of HMRC's winding up petition. These withdrawals may be dispositions of company assets under the Insolvency Act 1986 and therefore recoverable from the director.

It appears that the total withdrawals since the last accounts as at 30 June 2018 (including those made post-petition) were £95,747. Mr Wlazlo has advised that these were legitimate expenses and payments to suppliers made by him on behalf of the company.

Mr Wlazlo submitted a Proof of debt in the liquidation claiming that he was owed £28,117 at the date of liquidation. This was not included in the Statement of Affairs. He has since advised that his claim is £24,464 being the amount outstanding as at the date of the last accounts, 30 June 2018.

There is therefore potentially a balance on the Director's Loan Account owing to the Company of £71,283.



I am liaising with Mr Wlazlo's adviser in this regard in order to obtain explanations and supporting documentation in respect of the transactions identified during my investigations and the amount he states he was due to him as at 30 June 2018 in order to determine whether there is a balance to be recovered from Mr Wlazlo. As yet I have not been provided with anything to support his assertions that these were legitimate expenses and payments to suppliers made by him on behalf of the company and I am therefore considering whether to instruct solicitors in this matter shortly.

Within three 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.

Matters requiring further investigation that may lead to potential recovery actions have been identified, and the work outlined above was undertaken to further those investigations with a view to making recoveries for the benefit of the creditors.

#### **PRE-APPOINTMENT REMUNERATION**

The payment of any reasonable and necessary expenses incurred in connection with preparing a Statement of Affairs of the Company and seeking a decision from creditors on the nomination of a Liquidator can be made out of the Company's assets as an expense of the liquidation. However, where the payment is to be made to the Liquidator, or an associate of the Liquidator the approval of the creditors is required. As a result, I am seeking a decision from creditors to approve the payment to Turpin Barker Armstrong of £5,000 plus disbursements plus VAT in respect of such costs.

I am seeking a fixed fee for this work, and the amount sought derives from both the time costs of similar work that Turpin Barker Armstrong have done in the past in dealing with previous cases of this nature and complexity, and informal comparisons with the sort of fee charged for similar work by other insolvency practitioners. I consider that this represents a fair and reasonable reflection of the work which has been undertaken and reflects the complexity of the case.

#### **LIQUIDATOR'S REMUNERATION**

I refer to my reports dated 14 August 2019 and 20 May 2019 in which I proposed the basis of my remuneration to be approved by the Creditors. Please note that I did not receive any votes in favour of the resolution, and I must therefore again put forward resolutions to approve the basis of my remuneration.

**Please note that I must receive at least one vote by the decision date or the decision will not be made.**

**If I do not receive any votes on this occasion, I must apply to Court to seek an Order fixing the basis of my fees.**

In this case I am seeking to fix the basis of my remuneration on more than one basis as detailed below:

##### **Fixed fee basis:**

There are certain tasks that I must carry out on nearly every Liquidation, namely with regard to Administration and Creditors. Although they are required by statute or regulatory guidance or are

necessary for the orderly conduct of the proceedings, they do not produce any direct benefit for creditors, but still must be carried out.

**Administration:** This represents the work that is involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder (and their managers). It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

**Creditors:** The office holder needs maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

**Asset Realisation (Cash at Bank):** - There are certain tasks that I only have to carry out where there are assets to recover. They may produce a direct benefit for creditors but are subject to the costs of the proceedings generally. I carried out the work required to realise the Company's cash at bank, initially at my own cost, potentially suffering the loss if the asset is not realisable.

After taking into account the nature and value of the assets involved, I concluded that this task should be included within the proposed fixed fee as above.

I sent a letter to each of the two banks with which the Company held accounts prior to my appointment requesting that the bank accounts be frozen. Following my appointment I notified the banks about the Liquidation and requested closure of the bank accounts and transfer of the balances held. I had to issue a chaser letter to one of the banks but I confirm that the funds have now been received from both accounts.

Since my report dated 14 August 2019, I have identified a possible outstanding balance of £71,283 on the Director's Loan Account due to the Company. My investigations in this regard are ongoing, and, as detailed below, I propose that time spent conducting those investigations is drawn on a time cost basis. However, on conclusion of my investigations, if a recoverable balance is identified, thereafter I propose to charge a fee of 15% of the realisations made in this regard. This proposed fee reflects the potential difficulties anticipated in pursuing the outstanding balance and the possibility that solicitors will need to be instructed in this matter.

If I am successful in making a recovery, it may be possible to pay a dividend to unsecured creditors.

#### **Time costs:**

Some work cannot be identified with enough certainty for me to seek remuneration on a fixed or percentage basis. For these tasks, I propose to seek approval on a time cost basis. i.e. by reference to time properly spent by me and members of staff of the practice at our standard charge out rates. When I seek approval for my fees on a time cost basis I have to provide a fees estimate. That estimate acts as a cap on my time costs so that I cannot draw fees of more than the total estimated time costs without further approval from those who approved the fees. I attach at Appendix 3 a "Fees estimate summary" that sets out the work that I intend to undertake, the hourly rates I intend to charge for each part of the work, and the time that I think each part of the work will take. It includes a summary

of that information in an average or "blended" rate for all of the work being carried out within the estimate.

As indicated in the fees estimate, investigations work will be charged on a time cost basis. The following explains about the area of work for which I am seeking approval on a time cost basis, whilst full information about the work that I will undertake on a time cost basis is contained in Appendix 1.

Investigations: The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure and also in respect of matters such as misfeasance and wrongful trading. The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holder will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to creditors and approval for an increase in fees will be made as necessary. Such recovery actions will be for the benefit of the creditors and the office holder will provide an estimate of that benefit if an increase in fees is necessary.

In order to undertake my investigation I wrote to the Company's bankers in order that the Company's bank statements for the period since date of the last prepared accounts to date. I have since undertaken a detailed bank statement analysis.

I also requested delivery of the Company's books and records and received (limited) records from the Company's director and his adviser and had protracted email correspondence with the adviser in this regard before delivery of the records.

As a result of my review, I have identified a number of transactions which are subject to ongoing investigation and I will update creditors on this matter in my next report.

The office holder is also required by legislation to report to the Department for Business, Innovation and Skills on the conduct of the directors and the work to enable them to comply with this statutory obligation is of no direct benefit to the creditors, although it may identify potential recovery actions.

This estimate has been provided to creditors at an early stage in the administration of the case and before the office holder has full knowledge of the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holder's current knowledge of the case and their knowledge and experience of acting as office holder in respect of cases of a similar size and apparent complexity. As a result, the estimate does not take into account any currently unknown complexities or difficulties that may arise during the administration of the case. If the time costs incurred on the case by the office holder exceed the estimate, or is likely to exceed the estimate, the office holder will provide an explanation as to why that is the case in the next progress report sent to creditors. Since the office holder cannot draw remuneration in excess of this estimate without first obtaining approval to do so, then where the office holder considers it appropriate in the context of the case, they will seek a resolution to increase the fee estimate so that they will then be able to draw additional remuneration over and above this estimate.

My estimate for the total time costs that I will incur in undertaking the tasks listed above is £6,930 at a "blended" rate of £301.30 per hour.

I may need to seek approval to draw fees in excess of the estimate if my investigations lead to further areas of investigation, potential further asset recoveries and any associated action, such as arbitration or legal proceedings.

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 Turpin Barker Armstrong's fee policy are available at the link <https://www.turpinbainsolvency.co.uk/fees-and-links>. Please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2017 version.

## LIQUIDATOR'S EXPENSES

I have incurred expenses to 2 May 2020 of £230 (plus VAT) and comprise the following:

<u>Type</u>	<u>Total Accrued</u>
Statutory advertising	£150
Specific Bond	£80

I have not yet drawn any expenses in this matter.

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Fee Arrangement
Goldsmith Chambers	Barrister	Fixed fee

As it was previously reported, Proposals for a Voluntary Arrangement were filed in Court on 3 April 2019 and issued to creditors on 4 April. At the Court hearing on 10 April, a further adjournment of the Petition until 8 May 2019 was granted to allow time for the Proposals to be considered by HMRC. HMRC subsequently rejected the Proposals and the above barrister was instructed to represent the Company during the hearing on 8 May 2019. As a result the Petition was dismissed by HMRC.

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made in the sum of £350 plus VAT and am satisfied that they are reasonable in the circumstances of this case and confirm that this sum has been paid.

## 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.

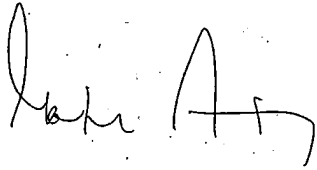
An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidator as being excessive, and/or the basis of the Liquidator's 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 Turpin Barker Armstrong can be found at <https://www.turpinbainsolvency.co.uk/fees-and-links>.

## SUMMARY

The Liquidation will remain open until I have concluded my investigations into the Director's Loan Account and post-petition withdrawals from the company's bank accounts and I have realised any balance deemed due. I estimate that this will take approximately 6-12 months and 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 Lindsey Moore by email at [lindsey.moore@turpinba.co.uk](mailto:lindsey.moore@turpinba.co.uk) or by phone on 020 8661 7878.



**Martin C Armstrong FCCA FABRP FIPA MBA FNARA**  
Liquidator

## **Appendix 1: Details of work to be undertaken in the Liquidation**

### **A. Work for which the Liquidator is seeking to be remunerated on a fixed fee basis:**

#### **Administration:**

Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.

Setting up the case on the practice's electronic case management system and entering data.

Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.

Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).

Convening and holding decision procedures and meetings of members (as applicable).

Dealing with all routine correspondence and emails relating to the case.

Opening, maintaining and managing the office holder's estate bank account.

Creating, maintaining and managing the office holder's cashbook.

Undertaking regular reconciliations of the bank account containing estate funds.

Reviewing the adequacy of the specific penalty bond on a quarterly basis.

Undertaking periodic reviews of the progress of the case.

Overseeing and controlling the work done on the case by case administrators.

Preparing, reviewing and issuing annual progress reports to creditors and members.

Filing returns at Companies House.

Preparing and filing VAT returns.

Preparing and filing Corporation Tax returns.

Seeking closure clearance from HMRC and other relevant parties.

Preparing, reviewing and issuing final reports to creditors and members.

Preparing the final account.

Filing final returns at Companies House.

#### **Creditors:**

Dealing with creditor correspondence, emails and telephone conversations regarding their claims.

Maintaining up to date creditor information on the case management system.

#### **Asset Realisation:**

Corresponding with the Company's bankers in order that the accounts could be closed and the balance held on the accounts could be transferred to the Liquidation estate

Corresponding with the Company's bankers in order that the bank statements could be obtained

Chasing letters to the Company's bankers in respect of the above



**B. Work for which the Liquidator is seeking to be remunerated on a time basis:**

**Investigations:**

Recovering the books and records for the case.

Listing the books and records recovered.

Submitting an online return on the conduct of the directors as required by the Company Directors Disqualification Act.

Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.

Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors

**Appendix 2: Estimate of expenses to be incurred in the Liquidation**

Type of expense	Estimated Amount £	Comments
Bonding - this is insurance required by statute that every officeholder has to obtain for the protection of each estate, with the premium being based on the value of the company's assets	80.00	
Gazetting – various notices relating to the company have to be placed in the London Gazette	150.00	
Legal Cost in respect of my instruction to represent the Company in order that the Petition could be withdrawn	350.00	
<b>Total estimated expenses</b>	<b>580.00</b>	

**Notice of decisions by correspondence**

**C.Palace Ltd - In Creditors' Voluntary Liquidation**

**(Company Number 07293014)**

**NOTICE IS GIVEN** by Martin C Armstrong to the creditors of C.Palace Ltd that set out below are resolutions for your consideration under rule 18.16 of The Insolvency (England and Wales) Rules 2016. Please complete the voting section below indicating whether you are in favour or against the following decisions:

i). That the Liquidator's fees be approved on a combination of a fixed fee, time costs for different categories of work, and a percentage of future realisations, the details of which are set out in the report prepared in connection with fee approval and issued with the notice of this decision procedure.

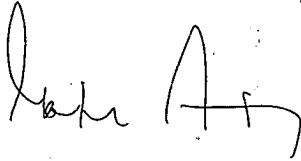
ii). That the fees and disbursements of Turpin Barker Armstrong in respect of assisting the Board of Directors in preparing a Statement of Affairs and seeking a decision from creditors on the nomination of a liquidator amounting to £5,000 plus disbursements plus VAT be paid from realisations as an expense of the liquidation.

**The final date for votes is 23 July 2020, the decision date.**

1. In order for their votes to be counted creditors must submit to me their completed voting form so that it is received at Turpin Barker Armstrong, Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA by no later than 23.59 hours on 23 July 2020. It must be accompanied by proof of their debt, (if not already lodged). Failure to do so will lead to their vote(s) being disregarded.
2. Creditors must lodge proof of their debt (if not already lodged) at the offices of Turpin Barker Armstrong by no later than 23.59 on 23 July 2020 without which their vote will be invalid.
3. Creditors with claims of £1,000 or less must have lodged proof of their debt for their vote to be valid.
4. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the decision(s) provided they have lodged proof of their debt.
5. Creditors may, within 5 business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the decision(s) above. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."
6. Creditors have the right to appeal the decision made by applying to Court under Rule 15.35 within 21 days of 23 July 2020, the decision date.

Creditors requiring further information regarding the above, should either contact me at Turpin Barker Armstrong, Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA, or contact Lindsey Moore by telephone on 020 8661 7878, or by email at [lindsey.moore@turpinba.co.uk](mailto:lindsey.moore@turpinba.co.uk).

DATED THIS 24<sup>TH</sup> DAY OF JUNE 2020

A handwritten signature in black ink, appearing to read 'Martin Armstrong', written in a cursive style.

**Martin C Armstrong FCCA FABRP FIPA MBA FNARA**  
**Liquidator**

**C.Palace Ltd - In Creditors' Voluntary Liquidation**

**(Company Number 07293014)**

**Voting on Decision**

i). That the Liquidator's fees be approved on a combination of a fixed fee, time costs for different categories of work, and a percentage of future realisations, the details of which are set out in the report prepared in connection with fee approval and issued with this notice.

**For / Against**

ii). That the fees and disbursements of Turpin Barker Armstrong in respect of assisting the Board of Directors in preparing a Statement of Affairs and seeking a decision from creditors on the nomination of a liquidator amounting to £5,000 plus disbursements plus VAT be paid from realisations as an expense of the liquidation.

**For / Against**

**TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:**

Name of creditor: \_\_\_\_\_

Signature of creditor: \_\_\_\_\_

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which  
signing document: \_\_\_\_\_

Date: \_\_\_\_\_

**Notice of invitation to form a Liquidation Committee**

**C.Palace Ltd - In Creditors' Voluntary Liquidation**

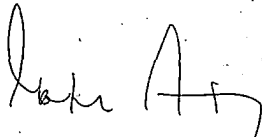
**(Company Number 07293014)**

**NOTICE IS GIVEN** by Martin C Armstrong to the creditors of C.Palace Ltd of an invitation to form a Liquidation Committee under rule 6.19 of The Insolvency (England and Wales) Rules 2016.

1. In addition to seeking a decision on the matters set out in the accompanying notice, creditors are also invited to determine, at the same time, whether a Liquidation Committee should be established.
2. A Committee may be formed if a minimum of 3 and a maximum of 5 creditors are willing to become members.
3. Nominations can only be accepted for a creditor to become a member of the Committee if they are an unsecured creditor and have lodged a proof of their debt that has not been disallowed for voting or dividend purposes.
4. The specified date for receipt of nominations for creditors to act as a member of the Committee under rule 6.19 of The Insolvency (England and Wales) Rules 2016 is 23 July 2020, the Decision Date.
5. Please complete the form sent with this notice, and include the name and address of any person you wish to nominate to act as a member of the Committee. The completed document should be returned to Turpin Barker Armstrong, Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA so that it is received by no later than 23.59 hours on 23 July 2020, the decision date.

Note: Further information on the rights, duties and the functions of a Committee is available in a booklet published by the Association of Business Recovery Professionals (R3). This booklet can be accessed at <https://www.r3.org.uk/media/documents/publications/professional/R3-Guide-to-Creditors-Committees.pdf>. If you require a hard copy of the booklet please contact Lindsey Moore of Turpin Barker Armstrong by email at [lindsey.moore@turpinba.co.uk](mailto:lindsey.moore@turpinba.co.uk), or by phone on 020 8661 7878.

DATED THIS 24th DAY OF JUNE 2020



**Martin C Armstrong FCCA FABRP FIPA MBA FNARA**  
**Liquidator**

**C.Palace Ltd - In Creditors' Voluntary Liquidation**

**(Company Number 07293014)**

**Decision**

1. That a Liquidation Committee should be established.

For/Against

I wish to nominate the following creditor to act as a member of the committee:

Name of nominated creditor \_\_\_\_\_

**TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:**

Name of creditor: \_\_\_\_\_

Signature of creditor: \_\_\_\_\_

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which signing document: \_\_\_\_\_

Dated: \_\_\_\_\_

**Note:** The completed form should be delivered to Turpin Barker Armstrong, Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA.

**Rule 14.4 The Insolvency (England and Wales) Rules 2016**

**Proof of Debt – General Form**

**Name of Company in Liquidation:**

C.Palace Ltd

**Company Registration Number:**

07293014

**Date of Liquidation:**

3 May 2019

**1 Name of creditor**

(If a company, please also provide the company registration number).

**2 Correspondence address of creditor (including any email address)**

**3 Total amount of claim (£)**  
(include any Value Added Tax)

**4 If amount in 3 above includes (£)**  
outstanding uncapitalised interest, state amount.

**5 Details of how and when the debt was incurred.**  
(If you need more space, attach a continuation sheet to this form)

**6 Details of any security held, the value of the security and the date it was given.**

**7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.**

**8 Details of any document by reference to which the debt can be substantiated**



9 Signature of creditor  
(or person authorised to act on the creditor's  
behalf)

10 Address of person signing if different from 2  
above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

Admitted to vote for

Amount (£)

Date

Admitted for dividend for

Amount (£)

Date

[MARTIN C ARMSTRONG]  
[LIQUIDATOR]

[MARTIN C ARMSTRONG]  
[LIQUIDATOR]

Notes:

1. There is no need to attach them now but the office holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.

2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

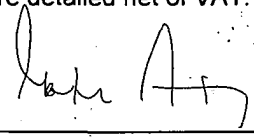
FEES ESTIMATE SUMMARY			
Case name	C.Palace Ltd		
<p>The office holder is seeking to be remunerated on a time cost basis for the categories of work to be undertaken on the case that are set out below. We use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform, recording time spent in 6 minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. This document provides an estimate as to how much time the office holder and his staff will spend undertaking specific tasks within broad categories of work, and the time costs of undertaking such work, which will depend upon the grade, or grades, of staff undertaking the work and the number of hours spent undertaking the work by each grade of staff. The estimated time that will be spent undertaking the work in each category of work has been multiplied by the applicable charge out rate for each member of staff that it is anticipated will undertake work in that category to arrive at the estimated total time costs attributable to that category of work on the case. We have then divided that estimated total by the estimated number of hours to arrive at what is known as a blended hourly charge out rate for that category of work. The sum of all the estimates for the different categories of work is the total estimated time costs to undertake all the necessary work on the case. Again, we have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for the case as a whole.</p>			
The hourly charge out rates that will be used on this case are:	£		
Senior Partner – appointment taker	545.00		
Partner – appointment taker	400.00		
Manager	325.00		
Assistant Manager	285.00		
Senior Administrator	265.00		
Administrator	220.00		
Assistant Administrator	90.00		
Junior Administrator	40.00		
INVESTIGATIONS			
Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £
Recovering the books and records for the case.	3.00	405.00	
Listing the books and records recovered.	1.00	40.00	
Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act (delete if not applicable).	6.00	2,170.00	
Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.	3.00	1,195.00	
Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors	10.00	3,120.00	
Total:	23.00	£6,930.00	£301.30
GRAND TOTAL FOR ALL CATEGORIES OF WORK			
	23.00	£6,930.00	£301.30

**C.Palace Ltd**  
**(In Liquidation)**  
**LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 03/05/2019 To 02/05/2020 £	From 03/05/2019 To 02/05/2020 £
<b>RECEIPTS</b>			
Tangible assets	NIL	0.00	0.00
Cash at Bank	13,891.00	13,824.94	13,824.94
Trade & Expense Creditors	NIL	0.00	0.00
Directors	NIL	0.00	0.00
HM Revenue & Customs - CIS (refund)	11,536.00	0.00	0.00
		<u>13,824.94</u>	<u>13,824.94</u>
<b>PAYMENTS</b>			
Legal Fees (1)		350.00	350.00
Specific Bond		80.00	80.00
Statutory Advertising		150.00	150.00
Telephone Telex & Fax		0.18	0.18
HM Revenue & Customs - PAYE/NI	(34,257.00)	0.00	0.00
HM Revenue & Customs - VAT	(46,305.00)	0.00	0.00
Ordinary Shareholders	(100.00)	0.00	0.00
		<u>580.18</u>	<u>580.18</u>
Net Receipts/(Payments)		<u>13,244.76</u>	<u>13,244.76</u>
<b>MADE UP AS FOLLOWS</b>			
Bank - Current a/c		13,128.72	13,128.72
VAT Receivable / (Payable)		116.04	116.04
		<u>13,244.76</u>	<u>13,244.76</u>

**Note:**

It should be noted that all figures stated in the Receipts and Payments Account are detailed net of VAT.

  
 Martin C Armstrong FCCA FABRP FIPA  
 Liquidator