

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 6 4 8 0 9 3 6

Company name in full Xicato Europe Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Simon

Surname Jagger

3 Liquidator's address

Building name/number 22 York Buildings

Street

Post town London

County/Region

Postcode W C 2 N 6 J U

Country

4 Liquidator's name ①

Full forename(s) Cameron

Surname Gunn

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 22 York Buildings

Street

Post town London

County/Region

Postcode W C 2 N 6 J U

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 3	^d 1	^m 0	^m 8	^y 2	^y 0	^y 2	^y 2
To date	^d 3	^d 0	^m 0	^m 8	^y 2	^y 0	^y 2	^y 3

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X

James

X

Signature date

^d 2	^d 0	^m 1	^m 0	^y 2	^y 0	^y 2	^y 3
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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 **Jack Robinson**

Company name **ReSolve Advisory Limited**

Address **22 York Buildings**

Post town **London**

County/Region

Postcode **W C 2 N 6 J U**

Country

DX

Telephone **020 7702 9775**

**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

Xicato Europe Limited
In Creditors' Voluntary Liquidation

Liquidators' Annual Progress Report to Members and Creditors
For the period **31 August 2022 to 30 August 2023** ("the Reporting Period")

CONTENTS

1. Introduction
2. Liquidators' actions since appointment
3. Receipts and payments account
4. Assets and future realisations
5. Outcome to creditors
6. Investigations
7. Pre-appointment remuneration
8. Remuneration
9. Liquidators' expenses
10. Further information

APPENDICES

- I. Statutory information
- II. Receipts and payments account
- III. Remuneration and expense policies, charge out rates and narrative of time incurred
- IV. Joint Liquidators' time cost summary

1. INTRODUCTION

I refer to the appointment of Cameron Gunn and I as Joint Liquidators of Xicato Europe Limited ("the Company") on 31 August 2022 and write to members and creditors of the Company to provide a progress report on the Liquidation of the Company.

This report covers the period from 31 August 2022 to 30 August 2023 ("the Reporting Period") and should be read in conjunction with the director's report circulated to creditors in August 2022 and the Statement of Affairs filed at Companies House in September 2022.

Statutory information relating to the Company is included at Appendix I.

2. LIQUIDATOR'S ACTIONS SINCE APPOINTMENT

Since my appointment, I have taken the following actions:

- Maintained up to date creditor information on the case management system;
- Prepared and delivered all statutory documentation;
- Dealt with employee correspondence and queries;
- Liaised with the director in relation to the Company's assets and information required for the Liquidation generally;
- Liaised with the director in relation to my investigations into the Company's affairs;
- Corresponded with HM Revenue and Customs ("HMRC") in relation to the Company's outstanding tax liabilities and returns;
- Liaised with Pension advisors and the Redundancy Payments Service ("RPS") in relation to employee pension matters, and
- Prepared this progress report to members and creditors.

3. RECEIPTS AND PAYMENTS ACCOUNT

No receipts or payments were made during the Reporting Period, as shown in my receipts and payments account (a copy of which is attached at Appendix II).

4. ASSETS AND FUTURE REALISATIONS

Corporation Tax Refund

Per my previous reports, the Company was funded by its parent company, Xicato Inc (Xicato). The Company recharged all of its expenses to Xicato under a cost plus 5% transfer pricing arrangement. Consequently, the Company reported and paid tax on annual profits generated in this way.

My investigation looked at whether the Company overpaid when reporting regarding corporation tax, as it was unable to recover the monies from Xicato and therefore may be able to recover any excess payments from HMRC.

The Company had paid less than c.£7,000 in corporation tax. Due to the minimal value of the corporation tax and uncertainty regarding its recoverability, it would not be commercial to pursue this as the costs that would be incurred to recover this would be greater than any return to the liquidation estate.

The Company has no other known assets, such that no future realisations are expected to be made.

5. OUTCOME TO CREDITORS

Secured creditors

There are no known secured creditors.

Preferential creditors

The director's estimated statement of affairs included ordinary preferential creditors (employees with preferential claims) totalling £3,000, and a secondary preferential creditor (HMRC) of an uncertain amount.

No claim has been received from HMRC.

We have submitted the necessary information to the RPS for it to process the employee claims.

It is unlikely that a dividend will be paid to preferential creditors.

Unsecured creditors

The directors' estimated statement of affairs indicated that there are no unsecured creditors and since my appointment I have received a claim in respect of an unsecured amount from a former employee for €11,303.

Based on current information, it is unlikely that a dividend will be paid to unsecured creditors.

6. INVESTIGATIONS

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.

There were no matters that justified further investigation in the circumstances of this appointment.

7. PRE-APPOINTMENT REMUNERATION

The Board previously authorised the payment of a fee of £20,000 plus VAT for my assistance with preparing the statement of affairs and convening the decision procedure of creditors at a procedure held on 31 August 2022.

The sum of £20,000, in respect of my fee for preparing the statement of affairs and convening and holding the decision procedure of creditors, was paid by Xicato.

8. LIQUIDATORS' REMUNERATION

My remuneration has not been authorised by creditors and I have not drawn any fees. My time costs to 30 August 2023 amount to £34,661, representing 86 of hours work at an average charge out rate of £404 per hour.

As at the date of this report, the remuneration anticipated to be charged by the Joint Liquidators is likely to exceed the previous fees estimate provided to creditors. However, considering the uncertainty of any further realisations I am not currently seeking a fee increase. I may seek an increase in my fees should there be justification for doing so in the future.

A schedule of my remuneration policy, expense policy, charge out rates and a narrative description of the work undertaken in the Liquidation to date, together with my team's time costs incurred to date, is attached as Appendices III and IV.

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/>.

The relevant creditor's guide to Liquidators' Fees can be found under the heading Creditor Guides on my website at <http://www.resolvegroupuk.com/resources/>. Please note there are different versions of the guides, and in this case you should refer to the latest version. A hard copy can be obtained on request, free of charge, from this office.

9. LIQUIDATORS' EXPENSES

My expenses to 30 August 2023 amount to £900.

No Category 2 Expenses have been incurred to date.

The following expenses have been incurred since my appointment:

Post-appointment	Category 1	Category 2	Total	Incurred in period	Paid to date	Estimated future
			£			
Statutory advertising	184	-	184	184	184	-
Bonding	20	-	20	20	-	-
Legal fees	676	-	676	676	676	-
Total	880	-	880	880	860	-

The following professional advisers have been utilised in this matter:

Professional Advisor	Nature of Work	Fee Arrangement	Fees incurred to date /£	Paid	Estimated future fees
Cheeswrights LLP	Notaries	Time costs	676	676	-
Total			676	676	-

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

Cheeswrights LLP ("Cheeswrights")

Cheeswrights provided notary services in relation to the winding up of the Company. They attended the meeting at which the members' resolutions were passed.

10. FURTHER INFORMATION

The Liquidation will remain open until I have addressed all my statutory and administrative duties and arranged for the closure of the Liquidation.

I estimate that this will take a further 6 months to conclude and, once resolved, the Liquidation will be ended and the final receipts and payments account filed at Companies House.

An unsecured creditor may, with the permission of the court or with the concurrence of five per cent in value of the unsecured creditors (including the creditor in question) request further details of the Liquidators' remuneration and disbursements, within 21 days of 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 ten per cent in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidators' fees and the amount of any proposed expenses or expenses already incurred, within eight weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

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

If you consider that your comments or complaint have not been dealt with appropriately you should then put details of your concerns in writing to our complaints officer at complaints@resolvegroupuk.com who will then formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a partner unconnected with the appointment.

If you still feel that you have not received a satisfactory response, then you may be able to make a complaint to the Complaints Gateway operated by the Insolvency Service. Any such complaints should be completed online using the form here: www.gov.uk/complain-about-insolvency-practitioner. If you have difficulty accessing the online complaints form, you can also make your complaint through the Insolvency Service Enquiry Line at insolvency.enquiryline@insolvency.gov.uk or telephone: 0300 678 0015.

The Complaints Gateway will in turn determine if such complaint should be addressed by Mr Jagger's and Mr Gunn's regulatory body.

Further details of the relevant policies applicable to you can be found here: <http://www.resolvegroupuk.com/policies2/>.

Should you have any queries regarding the conduct of the Liquidation or any other queries, please do not hesitate to contact Jenny Paraskevopoulou of this office.

Yours faithfully



Simon Jagger
Joint Liquidator

For enquiries regarding this correspondence please contact:

Contact name: Jenny Paraskevopoulou
Phone number: 020 7702 9775
Email: jenny.par@resolvegroupuk.com

Cameron Gunn, Mark Supperstone, Lee Manning, Chris Farrington, Ben Woodthorpe, Simon Jagger, and Russell Payne are licensed to act as Insolvency Practitioners in the United Kingdom by the Institute of Chartered Accountants in England and Wales and act without personal liability at all times.
Please refer to the firm's privacy notice setting out your rights and explaining how your data will be used. The notice can be found on our website here www.resolvegroupuk.com/policies2/.

STATUTORY INFORMATION

Company name:	Xicato Europe Limited
Registered number:	06480936
Date of incorporation:	23 January 2008
Trading address:	N/A
Registered office:	C/o ReSolve Advisory Limited 22 York Buildings John Adam Street London WC2N 6JU
Date of Liquidators' appointment:	31 August 2022
Appointed by:	Creditors of the Company pursuant to section 100 of the Insolvency Act 1986
Joint Liquidators:	Simon Jagger Cameron Gunn ReSolve Advisory Limited 22 York Buildings John Adam Street London WC2N 6JU
EC Regulations of Insolvency Practitioners:	The EC Regulations apply to the proceedings, which are categorised as main proceedings with the meaning of the Regulation.
Director:	Amir Zoufonoun
Shareholder:	Xicato Inc.

RECEIPTS AND PAYMENTS ACCOUNT

**Xicato Europe Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts and Payments
To 30 August 2023**

RECEIPTS	Statement of Affairs (£)	Total (£)
Cash at Bank	Uncertain	0.00
Intercompany Receivables (Xicato,Inc.)	NIL	0.00
		<hr/>
		0.00
		<hr/>
PAYMENTS		
		<hr/>
		0.00
		<hr/>
Net Receipts/(Payments)		0.00
		<hr/>

MADE UP AS FOLLOWS

0.00

LIQUIDATORS' REMUNERATION POLICY, EXPENSE POLICY, CHARGE OUT RATES AND NARRATIVE

Joint Liquidators' charge out rates

The Joint Liquidators are remunerated on a time cost basis. Charge out rates used are appropriate to the skills and experience of a member of staff and the work that they perform. Time is recorded in six-minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. The hourly charge out rates to be used on this case are as follows:

Staff grade	Rate per hour from 1 August 2022 (£)
Partner	705-795
Director	615
Senior Manager	500
Manager	420
Assistant Manager	375
Senior Administrator	300
Administrator	245
Junior Administrator	175

Secretarial and support staff are not charged to the cases concerned, being accounted for as an overhead of ReSolve Advisory Limited. Our cashier is charged at the Senior Administrator rate. The charge out rate for Simon Jagger, the lead office holder in this case, is £705 per hour.

Expense policy

In accordance with Statement of Insolvency Practice 9, the basis of expense allocation must be fully disclosed to creditors. Expenses are categorised as either Category 1 or Category 2 expenses:

Category 1

These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without creditor approval. Examples of Category 1 expenses are statutory advertising, external meeting room hire, external storage, specific bond insurance, external information hosting charges, and Company search fees.

Category 2

These are payments to associates or which have an element of shared costs. Before being paid, Category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement. Category 2 expenses that are likely to be incurred, and require specific approval include:

Mileage	45 pence per mile paid to staff working on the insolvency appointment
Photocopying	20 pence per sheet of paper for reporting purposes (correspondence will be digital where at all possible to minimise this expense)

Category 1 and Category 2 expenses are subject to the rights of creditors to seek further information about them or challenge them.

Professional advisors may be instructed to assist the office holder on the case where they consider that such assistance is necessary to enable them to appropriately administer the case. The fees charged by any professional advisors used will be recharged at cost to the case. Where the professional advisor is not an associate of the office holder it will be for the office holder to agree the basis of their fees. Where the professional advisor is an associate of the office holder it will be for those responsible for fixing the basis of the office holder's remuneration to approve payments to them. The fees of any professional advisors are subject to the rights of creditors to seek further information about them or challenge them. Professional advisors that may be instructed on a case include:

- Solicitors/Legal Advisors,
- Auctioneers/Valuers,
- Accountants,
- Quantity Surveyors,
- Estate Agents,
- Pension specialists,
- Employment Claims specialists, and
- GDPR/Cyber Security specialists.

Administration and Planning

This represents the routine administrative work that is required of the office holders and their staff, together with the control and supervision of the work done on the case by the office holders and their staff. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holders to meet their requirements under the insolvency legislation and the SIP, which set out required practices that office holders must follow:

Case planning

- Preparing the documentation and dealing with the formalities of appointment.
- Review and storage of Company records.
- Liaising with the directors throughout the appointment process.
- Assisting the directors with the formalities required to place the Company into liquidation .
- Considering the employee position of the Company.
- Case planning and administration.

Cashiering

- Opening and maintaining a dedicated liquidation bank account.

General administration

- Statutory notifications and advertising.
- Case bordereau.
- Preparing the documentation required.
- Dealing with all routine correspondence.
- Liaising with insurers regarding initial cover.
- Maintaining physical case files and electronic case details.
- Liaising with the Company's directors regarding provision of information.

Creditors

Work involved in dealing with all classes of creditors.

The office holder needs to deal with the ex-employees in order to ensure that their claims are processed appropriately by the RPS. That work will include dealing with queries received from both the ex-employees and the RPS to facilitate the processing of the claims. The office holders are required to undertake this work as part of his statutory functions.

The office holders need 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 holders will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holders are required to undertake this work as part of their statutory obligations.

Employees

- Liaising with employees with respect to their redundancy.
- Obtaining information from the case records about employee claims.
- Completing documentation for submission to the RPS.
- Corresponding with employees regarding their claims.
- Attended meetings with employees to assist with the process to make a claim to the RPS.
- Liaising with the RPS regarding employee claims.

Investigations

Insolvency legislation gives the office holders 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 holders are required by the SIP to undertake an initial investigation to determine whether there are potential recovery actions for the benefit of creditors and any 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 holders 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. Any approval for an increase in fees will be sought as necessary. Such recovery actions will be for the benefit of the creditors and the office holders will provide an estimate of that benefit if an increase in fees is necessary.

The office holders are also required by legislation to report to the BEIS 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.

- General investigation into the Company's affairs.
- Statutory investigation into the directors' conduct, including preparation and submission of required reports.
- Correspondence with HMRC regarding corporation tax matters.

Statutory

These activities involve complying with legislation including but not limited to; The IA86, The IR16, The Companies Act 2006, The Bribery Act 2010, the Money Laundering Regulations 2017, SIPs and Pension Regulations. These activities do not add any direct benefit to creditors and they form part of the statutory obligations of the Liquidation.

- Preparation and delivery of all statutory documentation.
- Informing Companies House of the Liquidation.
- Liaising with solicitors regarding appointment documentation.
- Internal discussions in relation to the timings of the appointment and preparing for the appointment.
- Dealing with statutory issues required under IA86, IR 2016 and the Statements of Insolvency Practice.

APPENDIX IV

JOINT LIQUIDATORS' TIME COSTS SUMMARY

A total of 86 hours have been spent for the period 31 August 2022 to 30 August 2023 at an average charge out rate of £404, bringing the total cost to £34,661.

I provide a summary table below:

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADM Administration & Planning	3.00	15.00	15.60	0.00	33.60	13,880.50	413.11
Admin & Planning	3.00	15.00	15.60	0.00	33.60	13,880.50	413.11
C Creditors	0.40	5.40	7.30	0.00	13.10	5,097.00	389.08
Creditors	0.40	5.40	7.30	0.00	13.10	5,097.00	389.08
IIW Investigations	0.40	4.50	5.20	0.00	10.10	3,899.50	386.09
Investigations	0.40	4.50	5.20	0.00	10.10	3,899.50	386.09
PAPPT Pre Appointment	0.00	0.00	1.60	0.00	1.60	392.00	245.00
Pre Appointment	0.00	0.00	1.60	0.00	1.60	392.00	245.00
RA Realisation of Assets	0.60	11.30	1.00	0.00	12.90	6,318.00	489.77
Realisation of Assets	0.60	11.30	1.00	0.00	12.90	6,318.00	489.77
STAT Statutory	0.70	2.60	11.30	0.00	14.60	5,073.50	347.50
Statutory	0.70	2.60	11.30	0.00	14.60	5,073.50	347.50
Total Hours	5.10	38.80	42.00	0.00	85.90	34,660.50	403.50

The above costs exclude VAT.