

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

01700328

Name of Company

5 Star (Edible) Products Limited

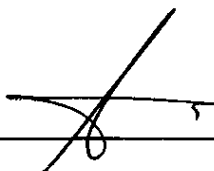
I / We

Alan Bradstock FCA FCCA FABRP MIPA, Langley House, Park Road, London, N2 8EY

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986.

The Progress Report covers the period from 11/03/2016 to 10/03/2017

Signed



Date

8.5.17

AABRS Limited
Langley House
Park Road
London
N2 8EY

Ref: F0745/ASB/NM/MP/DO/MA/NS

THURSDAY



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11/05/2017

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COMPANIES HOUSE

Liquidator's Annual Progress Report to Members

**5 Star (Edible) Products Limited
- In Liquidation**

08 May 2017

5 STAR (EDIBLE) PRODUCTS LIMITED - IN LIQUIDATION

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5 STAR (EDIBLE) PRODUCTS LIMITED - IN LIQUIDATION

1 Introduction and Statutory Information

- 1.1 I, Alan S. Bradstock FCA FCCA FABRP MIPA of AABRS Limited, Langley House, Park Road, London, N2 8EY, was appointed as Liquidator of 5 Star (Edible) Products Limited (the **Company**) on 11 March 2016. This report provides an update on the progress in the liquidation for year ended 10 March 2017 (**the Period**).
- 1.2 The trading address of the Company was Unit 2 Dolphin Way, Dolphin Park, Purfleet, Essex, RM19 1NZ.
- 1.3 The registered office of the Company was changed to Langley House, Park Road, East Finchley, London, N2 8EY and its registered number is 01700328.

2 Progress of the Liquidation

- 2.1 At Appendix A, I have provided an account of my Receipts and Payments for the Period, with a comparison to the Declaration of Solvency values.
- 2.2 Below are details of the work that I have undertaken during the reporting period:-
 - (i) Notifying any potential creditors and other associated formalities including statutory advertising and filing relevant statutory notices at Companies House
 - (ii) Preparing and issuing this annual progress report to members and creditors
 - (iii) Lodging periodic return to the Registrar of Companies for the liquidation
 - (iv) Complying with statutory duties in respect of the liquidator's specific penalty bond
 - (v) Creation and update of case files on firm's insolvency software
 - (vi) Completion and filing of the notice of the Company's solvency to HMRC
 - (vii) Pension regulatory reporting and auto-enrolment cancellation
 - (viii) Periodic case progression reviews
 - (ix) Opening, maintaining and managing the liquidation estate cash book and bank account
 - (x) Dealing with all post-appointment VAT and corporation tax compliance
- 2.3 Based on the current position of the case, the remaining work which is to be completed before a final meeting of the members is convened is the following:-
 - (i) Following my appointment, it was brought to my attention that the Company had an overage agreement in respect of the Freehold Property it had disposed of prior to the Liquidation. I am in discussion with agents to ascertain the value of the agreement as a further Capital Gains liability will arise in respect of this.

5 STAR (EDIBLE) PRODUCTS LIMITED - IN LIQUIDATION

- (ii) In addition, I am continuing with discussions with the Directors in order to finalise the accounts and tax returns for the Company. It should be noted that the finalisation of the accounts is dependant on ascertaining the value of the overage agreement.

Realisation of Assets

2.4 Plant and Machinery

- (i) The Declaration of Solvency stated that the value of the plant and machinery was Nil. No recoveries have been made from this source.

2.5 Fixtures and Fittings

- (i) The Declaration of Solvency stated that the value of the fixtures and fittings were Nil. No recoveries have been achieved.

2.6 Computer Equipment

- (i) The Declaration of Solvency stated that the value of the computer equipment was Nil and no recoveries have been made from this source.

2.7 Debtor – Sale of Stock

- (i) The Declaration of Solvency stated that the sum of £629,948.74 was to be recovered in respect of the sale of stock. This sum has now been recovered.

2.8 Cash at Bank

- (i) The Declaration of Solvency stated that cash held in the bank account was £5,999,981.64 and this sum was received in full.

2.9 Interest earned on Cash at Bank

- (i) The Declaration of Solvency stated that there will be an interest earned on cash at bank of £493.16 and this sum was recovered in full.

2.10 Intercompany loan – GCS Limited

- (i) The Declaration of Solvency stated that there was an intercompany loan of £275,000 and this sum has been recovered in full.

2.11 Directors Loan Accounts

- (i) The Declaration of Solvency stated that there was an overdrawn director's loan account of £5,722,168. It transpired that additional funds had been loaned to the Directors and as a result £5,773,168 has now been recovered.

2.12 PI claim

- (i) The Declaration of Solvency stated that there was a PI claim of £14,782 due. This sum was realised in full.

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2.13 VAT Bad Debt Relief

- (i) The Declaration of Solvency stated that there will be VAT bad debt relief of £16,483.18. This sum was realised in full.

2.14 Section 458 Refund

- (i) The Declaration of Solvency stated that there was section 458 refund of £31,522 due. No recoveries have been achieved as yet as the position in relation to the Section 458 is yet to be agreed fully with HM Revenue & Customs.

2.15 Debtor – 5 Star Foods

- (i) The Declaration of Solvency stated that there was debtor - 5 Star Foods of £110,000. This sum has been realised in full.

2.16 Debtor – Bob Mann

- (i) The Declaration of Solvency stated that there was debtor – Bob Mann of £100,000 and this sum was realised in full.

- 2.17 Based on the above information, I anticipate the total expenses that may be incurred in dealing with the remainder of the Company's asset realisation to be £20,000.

3 Creditors' Claims

Secured Creditors

- 3.1 There are no outstanding charges to secured creditors registered at Companies house. All charges registered at Companies house have been satisfied.

Preferential Creditors

- 3.2 No claims were anticipated and none have been received.

Unsecured Creditors

- 3.3 I have received claims totalling £2,792,035.54 from twelve creditors. The Directors have made a Declaration of Solvency to the effect that all of the Company's debts will be paid in full, together with statutory interest, within 12 months of the commencement of the Liquidation.

4 Distributions to Members

- 4.1 The following cash distributions to members have been made since the date of my appointment:

- An interim dividend of £1,003.78 per ordinary share on 14 March 2016 totalling £10,036,833.39.

5 STAR (EDIBLE) PRODUCTS LIMITED - IN LIQUIDATION

5 Liquidator's Remuneration

- 5.1 The members approved that the basis of the Liquidator's remuneration be £15,000 plus VAT and disbursements. In addition, pre-appointment fees were agreed at £15,000 plus VAT and disbursements. This shall be drawn on the basis of the time properly spent by liquidator and his staff in managing the Liquidation.
- 5.2 I would confirm that £15,000 plus disbursements of £1,611 has been drawn to date on account of these costs.
- 5.3 Attached as Appendix B is additional information in relation to the Liquidator's fees.
- 5.4 A copy of 'A Shareholders' Guide to Liquidators' Fees' is available on request or can be downloaded from www.aabrs.com/resources/creditors-guides.

6 Liquidator's Expenses and Disbursements

- 6.1 The following expenses and disbursements have been incurred [since my appointment as Liquidator:

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Statutory advertising	Nil	231.00	-	231.00
Specific penalty bond	Nil	1,380.00	-	1,380.00
Category 2 Disbursements				
Professional Services (Accura Accountants Limited)	Nil	32,915.33	-	32,915.33

7 Members' Rights

- 7.1 Within 21 days of the receipt of this report, members with either at least 5% of the total voting rights of all the members having the right to vote at general meetings of the Company or with the permission of the court, may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report.

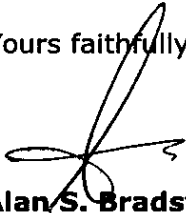
5 STAR (EDIBLE) PRODUCTS LIMITED - IN LIQUIDATION

- 7.2 Any members with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the Company may within 8 weeks of receipt of this progress report, make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive.

8 Next Report

- 8.1 I am required to provide a further report on the progress of the liquidation within two months of the end of the second anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write again with my final progress report and convene the final meeting of members.

Yours faithfully



Alan S. Bradstock
Liquidator

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5 STAR (EDIBLE) PRODUCTS LIMITED - IN LIQUIDATION

Appendix A

Receipts and Payments Account for the Period from 11 March 2016 to 10 March 2017

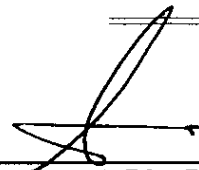
5 Star (Edible) Products Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Declaration of Solvency £		From 11/03/2016 To 10/03/2017 £	From 11/03/2016 To 10/03/2017 £
	ASSET REALISATIONS		
NIL	Plant & Machinery	NIL	NIL
NIL	Fixtures and Fittings	NIL	NIL
NIL	Computer Equipment	NIL	NIL
629,948.74	Debtor - Sale of Stock	629,948.74	629,948.74
5,999,981.64	Cash at Bank	5,999,981.64	5,999,981.64
493.16	Interest earned on Cash at Bank	493.16	493.16
275,000.00	Intercompany loan - GCS Limited	275,000.00	275,000.00
5,722,168.00	Directors loan accounts	5,773,168.00	5,773,168.00
14,782.00	PI Claim	14,728.00	14,728.00
16,483.18	VAT Bad Debt Relief	16,483.18	16,483.18
31,522.00	Section 458 Refund	NIL	NIL
110,000.00	Debtor - 5 Star Foods	110,000.00	110,000.00
100,000.00	Debtor - Bob Mann	100,000.00	100,000.00
	Bank Interest Gross	329.37	329.37
		12,920,132.09	12,920,132.09
	COST OF REALISATIONS		
	Specific Bond	1,380.00	1,380.00
	Pre-appointment fees	15,000.00	15,000.00
	Liquidators Fees	15,000.00	15,000.00
	Professional Services	32,915.33	32,915.33
	Statutory Advertising	231.00	231.00
		(64,526.33)	(64,526.33)
	UNSECURED CREDITORS		
	Trade & Expense Creditors	29,610.12	29,610.12
(1,387.00)	HM Revenue & Customs (PAYE)	1,387.91	1,387.91
(45,649.41)	HM Revenue & Customs (VAT)	29,185.41	29,185.41
(2,745,938.00)	HM Revenue & Customs (Corporation)	2,716,200.82	2,716,200.82
(30,000.00)	Contingent Creditors	NIL	NIL
		(2,776,384.26)	(2,776,384.26)
	DISTRIBUTIONS		
(10,000.00)	Ordinary Shares	10,036,833.49	10,036,833.49
		(10,036,833.49)	(10,036,833.49)
10,067,404.31		42,388.01	42,388.01

REPRESENTED BY
Bank 1 Deposit
Vat Control Account

36,398.94
5,989.07

42,388.01


Alan S. Bradstock FCA FCCA FABRP
Liquidator

5 STAR (EDIBLE) PRODUCTS LIMITED - IN LIQUIDATION

Appendix B

Additional Information in Relation to Liquidator's Fees

9 Staff allocation and the use of subcontractors

- 9.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 9.2 The constitution of the case team will usually consist of a Director, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 9.3 We are not proposing to utilise the services of any sub-contractors in this case.

10 Professional Advisers

- 10.1 On this assignment we have used the professional advisers listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Accura Accountants Limited (Accountants)	Hourly rate and disbursements

- 10.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

11 Liquidator's Disbursements

- 11.1 Category 1 disbursements do not require approval by members. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.
- 11.2 Category 2 disbursements do require approval by members. These disbursements can include costs incurred by AABRS Limited for the provision of services which include an element of recharged overhead, for example, room hire or document storage.
- 11.3 Details of the Liquidator's disbursements and expenses incurred to date can be found in the body of the report.

5 STAR (EDIBLE) PRODUCTS LIMITED - IN LIQUIDATION**12 Charge-out rates**

- 12.1 A schedule of AABRS Limited's charge-out rates for this assignment effective from 1 April 2016 is detailed below. Please note that this firm records its time in minimum units of 6 minutes.
- 12.2 There have been no material increases in charge-out rates since the commencement of the liquidation.
- 12.3 A schedule of charge- out rates are shown below

	(Per hour) £
Director	450
Manager	190-275
Other Senior Professionals	170-190
Assistants & Support Staff	60-170