

AM03

Notice of administrator's proposals



Companies House

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COMPANIES HOUSE

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1 Company details

Company number 02075324

Company name in full Star Case (UK) Limited
t/a EB Brands UK

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

2 Administrator's name

Full forename(s) Kikis Kallis FCCA
Surname FABRP

3 Administrator's address

Building name/number Mountview Court
Street 1148 High Road
Post town Whetstone
County/Region London
Postcode N20 0RA
Country

4 Administrator's name ●

Full forename(s) Elizabeth
Surname Arakapiotis

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

5 Administrator's address ●

Building name/number Mountview Court
Street 1148 High Road
Post town Whetstone
County/Region LONDON
Postcode N20 0RA
Country

② Other administrator
Use this section to tell us about
another administrator.

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Notice of Administrator's Proposals

6 Statement of proposals

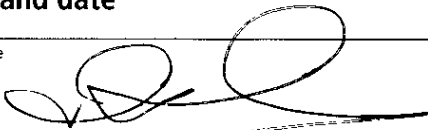
☒ I attach a copy of the statement of proposals

7 Sign and date

Administrator's
Signature

Signature

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Signature date

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^m0^m9

^y2^y0^y1^y7

AM03

Notice of Administrator's Proposals



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	Peter Charalambous
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 and dated the form.



Important information

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



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



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**Joint Administrators' Proposals relating to
Star Case (UK) Limited t/a EB Brands UK ("the Company") – In Administration**

Issued on: 14 September 2017

Delivered to creditors on: 14 September 2017

**Prepared by Kallis & Company
Mountview Court, 1148 High Road, Whetstone, London N20 0RA**

Disclaimer

This report is intended to provide a brief summary of the events leading up to the granting of the Administration Order and developments since that date. Please note that the Administrator has neither prepared detailed accounts nor conducted any audit work or substantive reviews. All information in this report for pre-appointment periods has been obtained from the directors, their professional advisors and from documents filed at Companies House.

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Elizabeth Arakapiotis and I Kikis Kallis, are the Joint Administrators of the Company and these are our statutory proposals relating to the Company.

1. STATUTORY INFORMATION

Company Information

Company name: Star Case (UK) Limited t/a EB Brands UK

Previous name: None

Trading name: EB Brands UK

Company number: 02075324

Date of incorporation: 19/11/1986

Trading address: Unit 1, Berkeley Business Park, Wainwright Road, Worcester, WR4 9FA

Current registered office: Mountview Court, 1148 High Road, Whetstone, London, N20 0RA

Former registered office: Sterling House, Fulbourne Road, London, E17 4EE

Principal trading activity: Non-specialised wholesale trade

Appointment Details

Administrators Kikis Kallis FCCA FABRP and Elizabeth Arakapiotis FCCA FABRP

Administrators' address Kallis & Company, Mountview Court, 1148 High Road, Whetstone, N20 0RA

Date of appointment 24 July 2017

Court name and reference High Court of Justice No. 005082 of 2017

Appointment made by: Directors

Actions of Administrators: Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.

Officers of the Company:

Directors who have held office in the past 3 years:	Name	Appointed	Resigned
	Mr Steven Brigham	15/11/12	-
	Mr Randall Scott Damstra	11/04/13	-
	Mr Paul Echausse	11/04/13	-
	Ms Lisa Peterson	11/04/13	-
	Mr Scott Brian Gold	11/04/13	30/12/15

Company secretary: Mr Steven Brigham

Share capital

E & B (UK) Ltd - Shareholder

Authorised

Allotted, called up and fully paid

1,000 ordinary shares £1.00 each

1,000 ordinary shares of £1.00 each

Charges

1. Debenture

Created: **15 May 2007**

Delivered: **30 May 2007**

Status: **Outstanding**

Transaction Filed: **Registration of a charge (395)**

Persons entitled: General Electric Capital Corporation (The Security Trustee)¹

Amount secured: All monies due or to become due from any credit party to any UK lender, UK agent or any other person on any account whatsoever under the terms of the aforementioned instrument creating or evidencing the charge

Short particulars: Fixed and floating charges over the undertaking and all property and assets present and future including goodwill book debts uncalled capital buildings fixtures fixed plant and machinery.

2. Debenture

Created: **16 May 2008**

Delivered: **30 May 2008**

Status: **Outstanding**

Transaction Filed: **Registration of a charge (395)**

Persons entitled: General Electric Capital Corporation (The Security Trustee)²

Amount secured: All monies due or to become due from any credit party to any UK lender, UK agent or any other person on any account whatsoever under the terms of the aforementioned instrument creating or evidencing the charge

Short particulars: Fixed and floating charges over the undertaking and all property and assets present and future including goodwill book debts uncalled capital buildings fixtures fixed plant and machinery.

2. BACKGROUND & CIRCUMSTANCES LEADING TO THE APPOINTMENT OF THE ADMINISTRATORS

Star Case (UK) Limited³ t/a EB Brands UK ("the Company") was incorporated in November 1986 as a wholly owned subsidiary of E&B (UK) Ltd. The ultimate parent company of the group is EBB Parent Holding Company LLC ("EBB Holding") incorporated in Delaware, USA⁴. The UK business was founded by Brian Caulfield and finances were provided by EBB Holding. The Company initially commenced trading as a gift business and then expanded into travel accessories and small fitness

¹ Antares Capital holds a Fixed and Floating charge over the UK Company assets after General Electric Capital Corporation assigned its rights to Antares Capital LP. The above is as currently reflected at Companies House.

² Antares Capital holds a Fixed and Floating charge over the UK Company assets after General Electric Capital Corporation assigned its rights to Antares Capital LP. The above is as currently reflected at Companies House.

³ Incorporated as Bleswivel Ltd 19/11/1986 and name changed to Star Case UK Ltd 19/12/1986

⁴ See Appendix 1 EB Company Group structure .

equipment. In 2000 Brian Caulfield resigned as director and appointments to the board of directors were made from EBB Holding. The current board of directors took their positions between 2012-2013.

EBB Holding designed the products and packaging and E&B (HK) Ltd ("EBHK"), a Hong Kong subsidiary, sourced and oversaw manufacturing and shipping. EBHK then arranged for the products to be shipped to the UK. The Company operated from warehouse and office space at Unit 1, Berkeley Business Park, Wainwright Road, Worcester WR4 9FA and was responsible for importing, warehousing and distributing the product to UK retailers.

The group expanded via organic growth and acquisitions. The Company attended trade fairs and prospected customers through calls and meetings to build the business. In turn the Company expanded as it gained the rights to produce products under license from major brands. It also developed private label programs with major retailers.

The group, both in the US and the UK faced a slowdown in the retail market caused by competition from online retailers and the general downturn in the retail marketplace. In 2014 the Company's Auditors, in their Independent Auditor's report, considered the adequacy of the disclosure made in the financial statements concerning the Company's ability to continue as a going concern. The Company incurred a net loss of £840,729 during the year ended 31 December 2014 and had net liabilities of £(5,421,419) and was completely reliant on EBB Holding for support. Growth of the UK business was held back by cuts in headcount and resources however trading losses were reduced as a result of the cost cutting measures implemented by the board.

The US business lost some key customers such as Sports Authority in 2016 and Wal-Mart in 2017 and was saddled with circa \$100m debt. The business severely cut back on product development and innovation and failed to adapt to changing market conditions in the USA. The cut backs resulted in large delays in purchasing stock and adversely affected UK Company operations. Turnover in both the US and UK markets fell dramatically and the resulting losses were deemed to be unsustainable.

On 5th June 2017 Antares Capital LP, the group's secured lender, filed a law suit against EBB Holding in the New York state court over its default on \$96.2 million worth of loans. Accordingly, EBB was no longer able to provide funding to the group subsidiaries. As a result, the Company could not survive without the backing of the global brand, the US office and the Hong Kong sourcing operation. Subsequently, EBB Holding went into Receivership in the USA and could no longer support the subsidiaries as its operations were being wound down by its Receiver.

A summary of the Company's recent trading performance is shown below.

	Year ended 31/12/2015	Year ended 31/12/2014	Year ended 31/12/2013
<u>Profit & Loss Account</u>			
	£	£	£
Turnover	3,743,336	4,449,305	4,761,849
Gross Profit	1,141,478	1,442,101	943,547
Net profit (loss)	(228,284)	(840,729)	(1,051,054)
<u>Balance Sheet</u>			
Fixed Assets	40,384	50,749	104,200
Current Assets	2,687,431	2,164,658	2,191,590
Creditors	(8,266,181)	(7,636,826)	(6,876,480)
Net Assets/(liabilities)	(5,538,366)	(5,421,419)	(4,580,690)

Kallis & Company were initially contacted on 26 June 2017 and since that date a number of meetings and telephone discussions were held with the directors and the Company's accountants regarding the Company's situation.

Various options were discussed including liquidation, however the Board of Directors resolved that the Company be placed into Administration with a view to protecting and trading out stock, completing existing orders and selling to existing customers in order to maximise realisations.

On 24 July 2017, Elizabeth Arakapiotis and I were appointed by the directors as Joint-Administrators of the Company.

Prior to the commencement of the Administration Kallis & Company acted as advisors to the Board as a whole acting on behalf of the Company. No advice was given to the individual directors regarding the impact of the insolvency of the Company on their personal financial affairs. Whilst not formally in office at that time, Kallis & Company was still required to act in its dealings with the Company in accordance with the Insolvency Code of Ethics.

As required by the Insolvency Code of Ethics, Elizabeth Arakapiotis and I considered the various threats to our objectivity arising from this prior involvement. We concluded that those threats were at an acceptable level such that we could still act objectively and hence could be appointed Joint-Administrators of the Company.

On 24 July, 2017, Elizabeth Arakapiotis and I were appointed by the directors as Joint Administrators of the Company and took over from the Board responsibility for the management of the affairs, business and property of the Company. The appointment permitted the Joint Administrators to take any actions required either jointly or alone, and I have been the Administrator primarily involved in dealing with the Company's affairs.

3. OBJECTIVES OF THE ADMINISTRATION AND THE ADMINISTRATORS' STRATEGY FOR ACHIEVING THEM

As Administrators of the Company, Elizabeth Arakapiotis and I are officers of the Court, and must perform our duties in the interests of the creditors as a whole in order to achieve the purpose of the Administration, which is to achieve one of the three objectives set out in the insolvency legislation, namely to:

- (a) rescue the Company as a going concern; or
- (b) achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or
- (c) realise property in order to make a distribution to one or more secured or preferential creditors.

Objective (a) could not be achieved as no purchaser could be found for the shares of the Company and the nature of the Company's trading and its financial circumstances meant that a Company Voluntary Arrangement was not appropriate.

As a result, we are seeking to achieve objective (b) for the Company, and will do this by trading to maximise stock realisations then realising the remaining assets of the Company by public treaty.

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. If we are unable to complete the Administration within 12 months then we will seek to extend the duration of the Administration in accordance with the provisions of the Insolvency Act 1986 and Insolvency Rules 2016.

4. ACTIONS OF THE ADMINISTRATORS FOLLOWING APPOINTMENT

Introduction

Since our appointment as Joint-Administrators, Elizabeth Arakapiotis and I have continued to trade the business in order to maximise the value of the stock in trade to existing customers and deal with consignment orders. I then instructed specialist agents Lambert Smith Hampton (LSH) to value and market the business and assets of the Company both on an ex-situ and in-situ basis.

Whilst trading the business in order to obtain the maximum value for the stock by utilising agreements and relationships with existing customers, various offers had been received on an ex-situ basis for the remainder of the stock and some of the intangible and tangible assets.

In addition, routine statutory and compliance work such as reviewing health and safety considerations, filing notice of the Joint Administrators appointment at Companies House and preparing a gazette notice as required. These are tasks that are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

Role of the Insolvency Practitioner

I was introduced to the Board of the Company by Jim Kounnis of Kounnis & Partners Accountants on 26 June 2017. I first met with Rick Morris, a representative of the Board on that same day to discuss the financial affairs of the Company. Prior to the commencement of the Administration I advised the Board as a whole, acting on behalf of the Company, about the Company's financial difficulties and provided advice about the options available to the Company to help determine an appropriate course of action to take. No advice was given to the individual directors regarding the impact of the insolvency of the Company on their personal financial affairs. Whilst not formally in office at that time, I was still required to act in my dealings with the Company in accordance with the Insolvency Code of Ethics.

Ultimately the Company was placed into Administration and Elizabeth Arakapiotis and I were appointed Joint-Administrators. The Joint-Administrators are officers of the Court and have taken over the management of the Company from the Board. As indicated above, the purpose of this Administration is to achieve objective (b) as detailed above.

In order to help us achieve the objective we have a wide range of powers, as set out in the insolvency legislation, and must perform my functions as quickly and efficiently as is reasonably practicable. The Joint-Administrators must also act in the interests of the creditors of the Company as a whole other than where objective (c) is being pursued we need only ensure that we do not unnecessarily harm the interests of the creditors of the Company as a whole.

Pre-appointment considerations

Prior to my appointment I gave the board advice about the various options available in including:

- Company voluntary arrangement (CVA) – Having reviewed the Company's accounting records and discussed the ongoing trading prospects, it was apparent that the Company was not in a position to propose an arrangement that was likely to be approved by creditors at that time. Furthermore, there was no prospect of the continuation of trade given the group's insolvency.
- Compulsory liquidation – The Board confirmed that no one had petitioned for the Company to be placed into liquidation although one creditor was threatening the commencement of this action. The Board considers that there will be better realisations for creditors if the Company is first placed into Administration and that the timescales of a Compulsory Winding Up meant this option was not considered appropriate.
- Voluntary liquidation – The Board considered that placing the Company into voluntary liquidation would be inappropriate at the time. It considered that it was likely that there would be better realisations for creditors if the Company was first placed into Administration and it

would provide the opportunity to trade out stock to existing customers and finalise consignment orders.

The Secured lender and the two majority unsecured creditors were consulted via their representative in the USA, Receiver Dan Dooley. We were instructed to proceed with matters in respect of dealing with the Administration of the Company.

Trading Period

As at the date of our Appointment, 24th July 2017 the stock in the business had a cost price of £686,616.33 as taken from the stock summary drawn from the Company's Sage accounting system. This is approximate due to the known inaccuracies in the Company's system and included the latest available stock-take of the consignment stock held offsite at two retailers.

An Estimated Outcome Statement comparing a job lot sale of the stock-in-trade as 24th July 2017 was prepared comparing a disposal by way of a public treaty versus the option of continuation to trade. As at the date of Administration the company had a number of unfulfilled stock orders in the pipeline. The Company's records showed that there were sufficient orders and stock that could be sold to existing customers to facilitate a short trading period.

Agents advised that an ex-situ job lot sale would obtain a price of 10p in the pound of the cost price. Accordingly, the decision to trade was made primarily on this basis in order to maximise the stock realisations. To facilitate trading during the Administration period, the employees were initially retained following a review of the staffing requirements. All trading activities were overseen by the Administrators and their staff and no further stock was purchased.

The devised strategy was to enable sales staff to broker deals in accordance with existing customers budget release dates, accelerating and fulfilling future orders initially at cost price and then discounting as necessary to sell as much stock as possible. During discussions, bulk stock orders/items that were relevant to customers were also offered in an attempt to maximise stock realisations. The continuation of trade allowed for consignment orders to be completed and provisions put in place to realise the stock held offsite.

The warehouse staff were retained to pick and package orders ready for collection. Trading also enabled warranty/counter claims to be dealt with and book debts to be collected by the accounts staff in house, increasing the recovery rate and reducing the overall costs of realisation. The retention of office staff enabled back up documentation to be collated and a handover of the consignment sales. Simultaneously agents LSH were marketing the assets of the Company inclusive of the stock for sale by private treaty.

Best offers were invited for all the remaining stock and an agreement to sell any unsold stock was reached with an unconnected company on the 18 August 2017. The Company traded existing stock from the warehouse in Administration from 24 July to 25 August 2017, being the last invoice date for stock sold from the warehouse. From that date onwards up to the 31 August, the staff and premises were used to deal with the collection of stock by the clearance buyer, removal of plant & equipment from site and dealing with debt collection and consignment sales. On 31 August 2017, all the stock and assets of the Company had been sold and removed from the warehouse. All the retained employees were dismissed by the Joint Administrators, the premises vacated and the landlord advised accordingly.

I attach a trading account at Appendix 3.

Valuation of the business and assets

I instructed LSH, professional valuers and auctioneers, to value the Company's assets on an in-situ and ex-situ basis. The valuations were prepared by Steve Mason MRICS, Nick Hughes MRICS and Jason Hall MRICS. I would advise that the agents have confirmed their independence and that they carry adequate Professional Indemnity Insurance. A valuation report was prepared on 26 July 2017 by LSH, a summary of which is given below:

Asset category	Valuation basis & amount (£)	
	In-situ	Ex-situ
<u>Fixed charge assets</u>		
Leasehold property	Nil	Nil
<u>Floating charge assets</u>		
Stock	410,000	70,000
Sample Stock	7,500	1,500
Plant & machinery	39,250	16,150
Office Furniture & Equipment	6,850	2,500
Total	<u>456,100</u>	<u>88,650</u>

Marketing of the business and assets

I instructed LSH to value and market the business and assets of the Company. During the marketing a number of offers were received for the various assets of the Company. In addition to the marketing carried out by our agents the Company's sales manager also contacted clearance buyers known to the Company and invited offers.

Conclusion

Following the trading and marketing process undertaken by the Joint Administrators and their agents, realisations to date amount to £347,796, a breakdown of which is given below. Accordingly, the statutory purpose of the Administration has already been largely achieved. We consider that by being able to continue to trade in the context of an Administration as an alternative to an immediate cessation of trade and the liquidation of the Company has significantly enhanced the prospects for creditors.

Asset category	Valuation basis & amount (£)		Sale Consideration (£)
	In-situ	Ex-situ	
<u>Fixed charge assets</u>			
Leasehold property	Nil	Nil	Nil
<u>Floating charge assets</u>			
Stock	410,000	70,000	237,186 ⁵
			<u>93,783</u> ⁶
			330,971
Sample Stock	7,500	1,500	3,000
Plant & Machinery	39,250	16,150	11,750 ⁷
Office Furniture & Equipment	<u>6,850</u>	<u>2,500</u>	<u>2,075</u>
Total	<u>456,100</u>	<u>88,650</u>	<u>347,796</u>

In order that the purpose of the Administration be fully achieved, we propose to remain in office as Joint Administrators to complete the future actions as detailed in section 7 below.

⁵ Stock: As at the date of appointment stock had a cost price of £686,616, as per the Company's records. The ex-situ and in-situ valuations are based on this sum. In addition to the £330,971 realised to date in respect of stock sold in Administration, further consignment sales are anticipated over the next 2 months realising between £20,000-50,000.

⁶ Stock: This relates to realisations achieved following the clearance sale of the stock not sold during trading.

⁷ Plant and Machinery: The ex-situ valuation of £16,150 included machinery with a value of £1,500 which was subject to a valid Retention of Title claim. Furthermore the removal of racking was required to be removed in a short timeframe than initially intended to reduce the costs to the Administration in respect of rent, rates and direct labour. As result the amount realised for the racking was £2,900 less than originally anticipated however this was a better result than having to abandon the racking.

5. FINANCIAL POSITION OF THE COMPANY

I have asked the directors to prepare a summary of the Company's estimated financial position as at 24 July 2017, which is known as a Statement of Affairs, but they have not yet prepared it. I understand that this will be in ready for submission at Companies House within the next 10 business days.

In the absence of a Statement of Affairs I have prepared an Estimate of the Financial Position of the Company as at 24 July 2017 from the records of the Company. I attach a copy of the estimate at Appendix 2, together with a list of names and addresses of all known creditors and the amounts of their debts other than in respect of employees (since I am not permitted by the insolvency legislation to disclose such information). The comments below should be read alongside the Estimated of the Financial position and the Receipts and Payments accounts.

5.1. Leasehold Property.

The property located at Berkeley Business Park, Berkeley Way, Worcester WR4 9FA is held on a full repairing and insuring lease for a term of 3 years from 28 July 2015 at a passing rent of £230,000 per annum plus VAT. The rent is currently in arrears of £65,000 plus VAT for June quarter and agents LSH have advised that there is no premium value attached to the leasehold interest.

5.2. Plant & Machinery (P&M)

A schedule of these assets and a valuation was provided by LSH as per their report on 26 July 2017. P&M comprised of: pallet racking, aluminium stores shelving, an Owen stock loading conveyer, various pallet trucks, sack trucks, stock trolleys, stillages and weigh scales. Each of the above items were deemed readily saleable.

As detailed above, the 'Orion LP500 pallet wrapper' was subject to a successful ROT claim and as such could not be realised. A total of £7,000 was received for the racking and £4,750 for the remaining P&M. These funds are in the process of being remitted and as such do not appear in the R&P.

5.3. Office Furniture & Equipment

LSH valued a standard array of furniture and IT equipment at £6,850 in-situ and £2,500 ex-situ. 2 of the 3 Company servers were found to be third party items, having been loaned to the Company. A sale price of £2,075 was achieved, of which £1,750 is in the process of being remitted and as such does not appear in the R&P.

5.4. Stock

As at the date of appointment, the Company's records indicated that it had stock with a cost price of £686,616.33. The stock comprised of a significant quantity of items associated with exercise equipment, general gifts and travel accessories. As part of the continuation of trade, stock held on consignment with two customers, Tesco and Boundary Mills, has been agreed with the customers paying for goods sold on a weekly basis as shown on the R&P. During trading, stock with a cost price of £328,448 was sold to existing customers and consignment sales realising £237,186. This is reflected in the Trading R&P and detailed below in the trading surplus. Following the last invoiced sale of stock held in the warehouse on 25th August, a clearance buyer agreed to purchase the remaining stock as job lot of for £98,231. Following due diligence carried out by the purchaser, the final sum agreed was £93,783.

To date a total of £330,971 has been realised and further realisations are anticipated in respect of Consignment sales.

5.5 Book Debts

As at the date of appointment the Company had debtors totalling £562,152.97 of which £370,386.89 had just fallen due. As a result it is anticipated that circa £365,000 be realisable after taking into

account bad debts and the possibility of warranty claims. To date £294,891.91 has been realised into the Administration estate and debt collection is on-going.

5.6 Cash at Bank & In Hand

The Company banked with Wells Fargo Bank. As at the date of appointment the balance in the Company's bank account was £457,596.58. Further funds totalling £204.63 were realised for various foreign currencies and £0.79 for the coinage held in the Company's petty cash tin.

5.7 Funds Held In Kallis & Co Client Account

A sum of £18,000 was advanced by the Company prior to the Administration in respect of the Pre-Appointment fee as detailed in section 9 below.

5.8 Trading Surplus

A trading surplus has been achieved being the realisation of the stock sold during trading less costs. It should be noted that there are expenses that have not been finalised to date as I am awaiting statements of account as detailed in the Trading Receipts and Payments Account Appendix 4.

5.9 VAT Refund

Following the submission of the last VAT return by the Company a VAT refund of £8,953.41 was received which was not originally anticipated.

5.10 Preferential creditors

The only known preferential creditors are former employees of the Company for unpaid wages and holiday pay. *Claims are subject to a maximum limit set by the insolvency legislation. It is noted that the employees who were retained have been paid their outstanding Wages and Holiday pay in full in order to ensure continuity of trading. It is anticipated that all preferential creditors will be paid in full.*

5.11 Prescribed part

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £600,000.

The Company gave a floating charge to Antares Capital on 15 May 2007 and the prescribed part provisions will apply. Attached at Appendix 7 is an Estimated Outcome Statement which shows that the net property of the Company is £855,358 and from this, I estimate that the prescribed part of the net property is £174,071 of which, net of costs associated with the costs of distribution and dealing with the prescribed part, £147,232 will be available to distribute to unsecured creditors.

6 ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

I attach a summary of the receipts and payments relating to the Company for the period from when it entered Administration, 24 July, 2017, to the date of these proposals, at Appendix 4.

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

7 PROPOSED FUTURE ACTIONS OF THE ADMINISTRATORS TO ACHIEVE THE OBJECTIVE OF THE ADMINISTRATION

In order to achieve the objective of the Administration of the Company I proposed for the continuation of trading over a short period of time and undertook the following actions which resulted in increased realisations:

- The completion of unfulfilled stock orders in the pipeline.
- Sales staff reached agreements with the existing customers in order to sell stock, realising far better returns than the ex-situ valuations.
- The continuation of trade allowed for consignment orders to be completed and provisions put in place to realise the stock held offsite.
- The retention of office staff enabled back up documentation and records to be safeguarded and efforts to collect the debtor ledger were made.
- The moratorium in Administration safeguarded the stock, some 900 pallets, which would otherwise have to have been moved offsite at considerable cost.
- The trading period also enabled sufficient time to market the other assets and sell the remainder of the stock by public treaty.
- The retention of staff and the trading profits enabled all wages and holiday pay to be paid in full.
- Once all orders, clearance stock and assets were collected, employees were dismissed and the landlord was advised that the Joint-Administrators vacated the premises on 31st August 2017.

I propose the following actions in order to achieve the objective of the Administration by maximising realisations to enable a return to the Secured and Preferential creditors as well as the unsecured creditors by way of the prescribed part :

- Consignment sales for the remaining stock offsite and the two retailers will continue.
- Collection of the remaining debtor ledger is underway. This is being done for the current aged debtors and also for the post administration sales. Thereafter this will be forwarded to a specialist debt collection agency.
- Receive the outstanding proceeds of trading and settle costs
- Report to HMRC of the tax implications of the same
- Review the security of the secured creditors and make a distribution to them.
- Process the claims of the employees and pay any preferential creditor claims (if any)
- Agree the unsecured creditors and make a distribution to them by way of the prescribed part.
- Exit the Administration procedure.

8 ADMINISTRATORS' REMUNERATION AND EXPENSES

I attach at Appendix 8 a copy of my practice fee recovery policy. In this case I am seeking to fix the basis of my remuneration on a time cost basis as detailed below:

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 a "Fees estimate summary" at Appendix 9 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 the following areas of work will be charged on a time cost basis Administration, Financials, Investigations; Realisation of Assets, Trading and Creditors . The following explains about the areas 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 5.

'Administration & Planning' and Financials: 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.

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.

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.

Realisation of Assets: This is the work that needs to be undertaken to protect and then realise the known assets in the case.

If this work is undertaken, the office holder anticipates that the assets will realise the estimated to realise amounts provided to creditors.

Trading: The office holder has decided to trade the business of the Company in order to maximise the recoveries on behalf of creditors. The particular tasks scheduled in this category of work are required to be undertaken in order to enable the office holder to monitor and control the trading of the business, and include statutory functions that are required to be undertaken when running any business.

Creditors:

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

Claims of 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.

Dividends - the office holder has to undertake certain statutory formalities in order to enable him to pay a dividend to creditors. This include writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.

More details of the tasks included in these categories are included in the fees estimate. I estimate that the total time costs that I will incur in undertaking these tasks in this case will be £166,839.38 at a "blended" rate of £216.11 per hour.

This estimate has been provided to creditors at a relatively 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.

I anticipate needing to seek approval to exceed the estimate if this work leads to further areas of investigation, potential further asset recoveries and any associated action, such as arbitration or legal proceedings.

For the period from our appointment on 24 July 2017 to 08 September 2017 a total of 333.77 hours have been spent working on the above tasks in the Administration, and total time costs to date are £64,380.50 charged at an average charge out rate of £192.89. Details of the time units used and current charge-out rates are provided in our practice fee recovery sheet, a copy of which is enclosed at Appendix 8. (I attach, in respect of the areas of work where I am seeking to charge fees on a time cost basis, an analysis of time costs incurred to date by reference to grade of staff and work done at Appendix 6).

I have engaged the Company's accountants Kounnis & Partners to continue providing accountancy services including review of the trading payroll, VAT, bookkeeping and the Company electronic accounting records.

Kounnis & Partners are engaged on a time cost basis and to date and to date have billed £6,000+VAT. Further work remains to be done and I estimate that it will cost an additional £4,000-6,000+VAT to complete it. Kounnis & Partners were selected on the basis of their existing knowledge of the business.

I also propose that I am permitted to charge and recover what are known as category 2 expenses. Information about category 2 expenses is set out in our practice fee recovery policy at Appendix 3.

The following category 2 disbursements have been incurred to date:

Type of category 2 disbursement	Amount incurred/accrued since appointment	Amount still to be paid
Mileage	£805.07	£805.07

I am not seeking a decision from the creditors on whether or not to approve these proposals as the Company's financial position means there are insufficient assets to pay a dividend to non-preferential unsecured creditors (other than by way of the prescribed part of the net property). The fees will be agreed by the Secured Creditor (and Preferential if any).

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/>. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at <https://www.icaew.com/en/technical/insolvency/creditors-guides> There are different versions of these Guidance Notes, and in this case please refer to the October 2015 version. Please note that we have also provided further details in the practice fee recovery sheet.

I have incurred total expenses of £26,819.57 since my appointment as Joint Administrator of which, £100.00 has been paid to date.

I have incurred the following expenses since my appointment as Administrator:

Type of expense	Amount incurred/accrued since appointment	Amount still to be paid
Office Holders Expenses	£82.00	£82.00
Agents/Valuers Fees	£12,500.00	£12,500.00
Agents/Valuers Expenses	£TBC	TBC
Postage	£50.07	£50.07
Electronic Data Storage & Protection	6,425.00	6,425.00
Kounnis & Partners Accountants	£6,000	£5,900
Philip Ross Solicitors	£1,762.50	£1,762.50

I have used the following agents or professional advisors since my appointment as Administrator:

Professional Advisor	Nature of Work	Basis of Fees
LSH	Valuer/Auctioneer	Time Costs
Philip Ross Solicitors	Solicitors	Time Costs
Kounnis & Partners Accountants	Accountancy/Bookkeeping	Time Costs

I also considered that the basis on which the agents will charge their fees represented value for money.

LSH – Provided a valuation report of the Company's assets in accordance with the RICS valuation standards. LSH also dealt with the marketing of the business assets, reviewing sales offers and also validity of the ROT claim. We are currently awaiting LSH's expenses incurred to date.

Philip Ross – Have assisted with Ad-hoc legal advice in relation to the landlord and the Administrators occupation of the property during the Trading Administration period.

In addition to the expenses already incurred, I anticipate that the following expenses totalling circa £10,500 will arise in these proceedings to cover the following:

Type of expense	Anticipated Expenses	Basis of Fee
Office Holders Expenses - inc Postage & Physical storage of records	£2,000	Category 1 or 2 expenses incurred as required.
Agents/Valuers Fees & Expenses	£0-TBC	On an hourly rate should further advice be required.
Electronic Data Storage & Protection	£500	Electronic Data Storage & Protection – Server space & Drive for Company's electronic records & sage system.
Kounnis & Partners Accountants	£6,000	Accountancy/Bookkeeping: Time costs
Philip Ross Solicitors	£1,000-£2,000	Legal Advice: Time costs

- Electronic Data Storage & Protection – Server space for Company's electronic records & sage system.
- Storage of the Company's paper records.
- Postage: Circulars and communication with creditors as required.
- Former Employee payments – An agreement has been received with two employees to assist in ad-hoc matters relating to the collection of the aged debtors and post appointment alongside and other matters that may arise which require their prior knowledge of Company operations. The agreement is on a time cost basis, based on their hourly rate as per their previous employment terms with the Company.

Expenses do not have to be approved, but when reporting to creditors during the course of the Administration the actual expenses incurred will be compared with the original estimate provided and I will explain any material differences (e.g. where legal costs rise due to escalated recovery action).

9 PRE-ADMINISTRATION COSTS

A. Where approval for any of the pre-administration costs is being sought:

The Board of Directors instructed me to assist them in placing the Company in Administration on 29 June 2017. They agreed that I should be paid my pre-administration costs as a fixed fee of £15,000+VAT.

The following pre-appointment work was undertaken by my office:

- Liaising with senior staff and the US Receiver of the parent company in order to conduct a review of the Company's financial position, assess orders and prospects for continued trading.
- Meetings with the Representative of the board to discuss the options available to the Company.
- Liaising with agents to form an opinion on the assets, reviewing the viability of trading and preparation for trading of the business.

I also assisted the Board take the appropriate steps to place the Company into Administration. This task, together with some of the other tasks mentioned above are required by statute or regulatory guidance, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

The following statement sets out my pre-administration costs incurred. The statement also shows those fees and expenses that were paid prior to the Administration and those where approval is being sought to pay them from Administration funds.

Description	£
Joint Administrators' remuneration (fixed fee)	15,000.00
Mileage (Category 2)	120.99
Total	<u>15,120.99</u>

As I have already indicated, I am not seeking a decision from the creditors to approve my proposals. As a result, it will be for the Chargeholder and the Preferential Creditor(s) (if any) to approve the pre-appointment costs. We intend to deal with this by seeking decisions by written correspondence.

10 ADMINISTRATORS' INVESTIGATIONS

I have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the Administration. I am also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. I should be pleased to receive from you any information you have that you consider will assist me in this duty. I would stress that this request for information forms part of my normal investigation procedure.

11 EC REGULATION ON INSOLVENCY PROCEEDINGS

I consider that the EC regulation on insolvency proceedings apply to the Administration of the Company. I also consider that they are "main" proceedings since the Company's registered office and its trading address is in the United Kingdom.

12 ADMINISTRATORS' PROPOSALS

In order to achieve the objective set out at section 3 above, Elizabeth Arakapiotis and I formally propose to creditors that:

- (a) We continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that we:
 - (i) Trade the business for a short period to maximise stock realisations, through the completion of unfulfilled stock orders in the pipeline and consignment orders reached as well as reaching new agreements with the existing customers.
 - (ii) sell the Company's assets at such time(s) on such terms as we consider appropriate;
 - (iii) Realise the cash in the Company's bank account and bank in cash on site.
 - (iv) Collect the Company's outstanding debtor ledger
 - (v) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company; and
 - (vi) do all such things and generally exercise all their powers as Administrators as we consider desirable or expedient at our discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals
- (b) the Administration of the Company will end by filing notice of dissolution with the Registrar of companies. The Company will then automatically be dissolved by the registrar of companies three months after the notice is registered.
- (c) Alternatively, the Administration will end by placing the Company into Creditors' Voluntary Liquidation, and propose that Kikis Kallis FCCA FABRP and Elizabeth Arakapiotis are appointed Joint Liquidators of the Company and that we be authorised to act either jointly or separately in undertaking our duties as Liquidators. Creditors may nominate a different person(s) as the proposed liquidator(s), but they must make the nomination(s) at any time after these proposals are delivered to them, but before they are approved. Information about the approval of the proposals is set out at section 13.
- (d) Or, the Administration will end by the presentation of a winding up petition to the Court for the compulsory liquidation of the Company, and propose that Kikis Kallis FCCA FABRP and Elizabeth Arakapiotis are appointed Joint Liquidators of the Company by the Court.
- (e) Or, the Administration of the Company will end by making an application to Court for an order that the Administration ceases.
- (f) Or, the Administration of the Company will end by giving notice to the Court, creditors and Registrar of Companies that the objective of the Administration has been achieved.
- (g) That the Joint Administrators' liability, in respect of any action of theirs as Joint Administrators, be discharged in accordance with Paragraph 98 of Schedule B1, immediately upon the appointment ceasing to have effect.

13 APPROVAL OF PROPOSALS

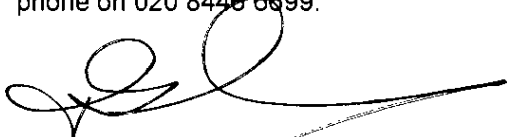
The financial position of the Company means that it has insufficient assets to enable a dividend to be paid to non-preferential unsecured creditors other than by way of the prescribed part. As a result, I am prohibited by the insolvency legislation from seeking a decision from the creditors to consider these proposals.

However, a creditor, or creditors, whose debts amount to at least 10% of the total debts of the Company can require me to hold a decision procedure to enable creditors to consider whether or not to approve these proposals and/or to consider such other decision as they see fit. Such a request must be received by me within 8 business days from the date these proposals are delivered to the creditors. If creditors do not require me hold a decision procedure within that time period, then these proposals will be deemed to have been approved.

Creditors should note that I need not initiate the decision procedure unless the creditor, or creditors, requisitioning the decision procedure provides me with such amount that I request from them to meet the expenses of the requisitioned decision procedure.

14 FURTHER INFORMATION

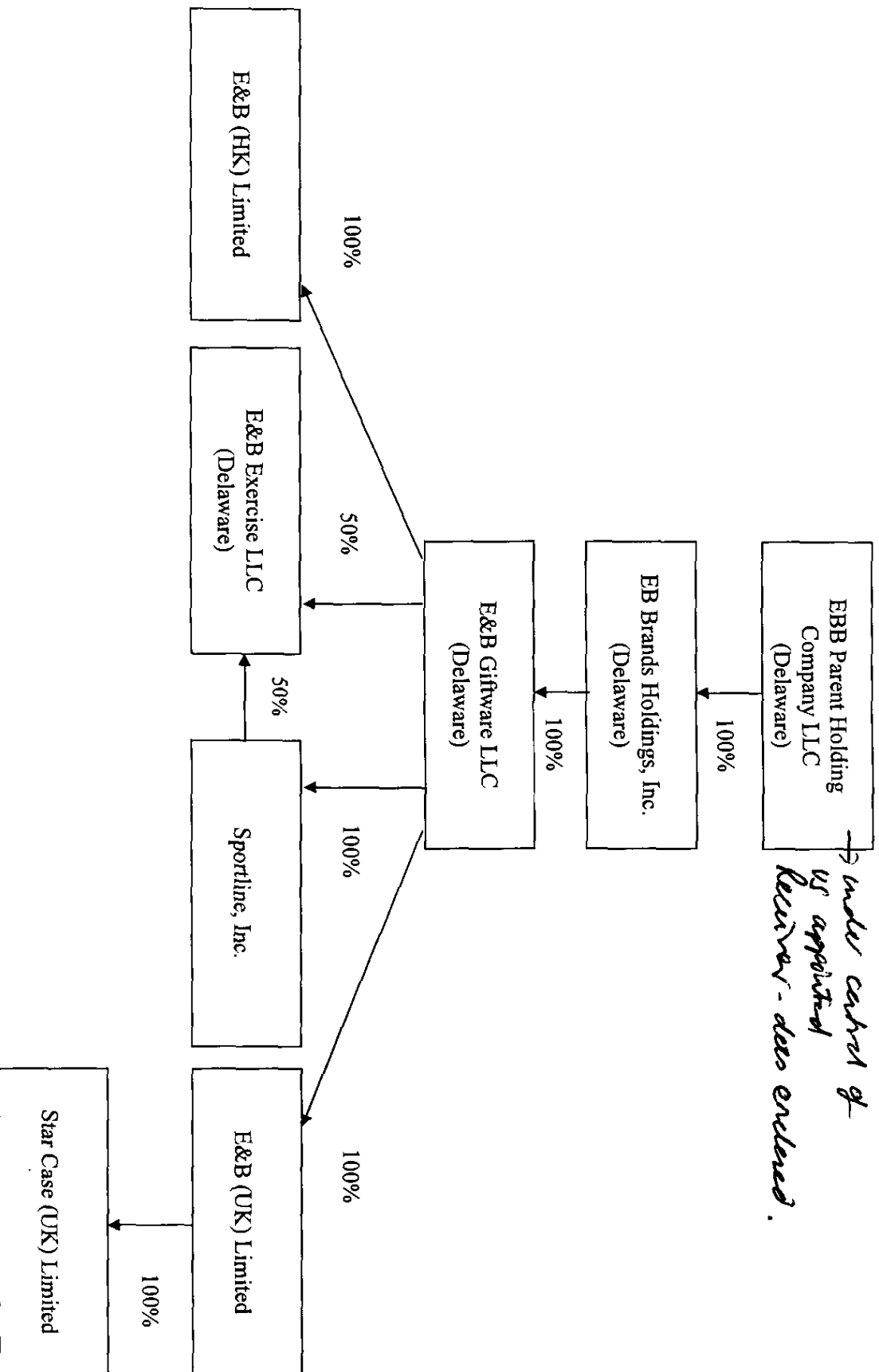
To comply with the Provision of Services Regulations, some general information about Kallis & Company, including about our complaints policy and Professional Indemnity Insurance, can be found at <http://www.kallis.co.uk/legal> If creditors have any queries regarding these proposals or the conduct of the Administration in general, or if they want hard copies of any of the documents made available on-line, they should contact Peter Charalambous by email at peter@kallis.co.uk , or by phone on 020 8446 6699.



**Kikis Kallis FCCA FABRP
JOINT ADMINISTRATOR**

The Joint Administrators are agents of the Company and act without personal liability.

EB Corporate Organizational Structure



Insolvency Act 1986
Star Case (UK) Limited t/a EB Brands UK

Administrators Estimate of the Financial Position of the Company as at 24 July 2017

	Book Value £	Estimated to Realise £
ASSETS		
Leasehold Land & Property	NIL	NIL
Antares Capital		(1,793,341.00)
Deficiency c/d		(1,793,341.00)
Plant & Machinery		16,150.00
Office Furniture & Equipment	40,384.00	2,500.00
Stock	686,616.33	70,000.00
Sample Stock	Uncertain	Uncertain
Book Debts	551,675.82	141,239.63
VAT Refund	Uncertain	Uncertain
Cash at Bank	457,596.58	457,596.58
Cash in Hand (Foreign Currency)	Uncertain	Uncertain
Funds held in Kallis & Co client account	18,000.00	18,000.00
		705,486.21
LIABILITIES		
PREFERENTIAL CREDITORS:-		
Employee Arrears/Hol Pay		4,000.00
		4,000.00
		701,486.21
DEBTS SECURED BY FLOATING CHARGES PRE 15 SEPTEMBER 2003		
OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS		
		NIL
		701,486.21
Estimated prescribed part of net property where applicable (to carry forward)		143,297.24
		558,188.97
DEBTS SECURED BY FLOATING CHARGES POST 14 SEPTEMBER 2003		
Deficiency b/d	1,793,341.00	1,793,341.00
		(1,235,152.03)
Estimated prescribed part of net property where applicable (brought down)		143,297.24
		143,297.24
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors	188,911.12	
Employees	162,010.00	
Landlord	129,340.60	
Intercompany Debtors	9,833,801.36	
HM Revenue & Customs (PAYE)	2,661.00	
HM Revenue & Customs (VAT)	46,537.07	
		10,363,261.15

	Book Value £	Estimated to Realise £
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)		(10,219,963.91)
Shortfall in respect of F.C's post 14 September 2003 (brought down)		<u>1,235,152.03</u> (11,455,115.94)
Issued and called up capital Ordinary Shareholders		1,000.00 <u>1,000.00</u>
TOTAL SURPLUS/(DEFICIENCY)		<u><u>(11,456,115.94)</u></u>

Kallis & Company
Star Case (UK) Limited t/a EB Brands UK
B - Company Creditors

Key	Name	Address	£
CA0000	Argos	489-499 Avebury Boulevard, Saxon Gate West, Central Milton Keynes, MK9 2NW	996.63
CA0001	Atlantic Int Freight Services	Bartleet House, 165A Birmingham Road, Bromsgrove, Worcestershire, B61 0DJ	643.00
CA0002	Allelys General Haulage	The Slough, Studley, Warwickshire, B80 7EN	4,126.80
CA0003	Annik Associates Limited	12 Hemsby Close, Copperfields, Copperfields, Worcester, WR5 3RH	189.60
CA04	Adept Telecom Plc	PO Box 473, Tunbridge Wells, TN2 9QG	279.43
CA05	Antares Capital LLP	Mr Karis Liebenauer, 500 West Monroe, Suite 1700, Chicago IL 60661	1,793,341.00
CB0001	Blujay Solutions Ltd	1st Floor, 4M Building, Malaga Avenue, M90 3RR	1,414.80
CB0002	Blackpole Recycling Ltd	Unit 100, Blackpole Trading Estate, Worcester, WR3 8TJ	288.00
CB04	BSI	389 Chiswick High Road, Chiswick, London W4 4AL	159.74
CB05	British Gas Business	c/o Baker Tilly Restructuring and Recovery LLP, 6th Floor, Salisbury House, 31 Finsbury Circus, London, EC2M 5SQ	2,511.60
CC0000	Chancery Trade Marks	Chancery House, 40A Castle Street, Guildford, Surrey, GU1 3UQ	132.00
CC0001	Chep Uk Limited	Village Way, Trafford Park, Manchester, M17 1HR	2,463.47
CC0002	Creditsafe Business Solutions	C/O Britannia Building, Van Road, Caerphilly Business Park, Caerphilly, CF83 3GG	435.00
CC0003	Clarity Copiers Ltd	The Mill, Gregory's Mill Street, Worcester, WR3 8BA	658.30
CC0004	Cindercone Solutions Ltd	41A Straight Bit, Flackwell Heath, Nr High Wycombe, Bucks, HP10 9LT	1,416.00
CD0000	Datel Computing Ltd	Cinnamon Park, Warrington, Cheshire, WA2 0XP	5,877.13
CD0001	DPD UK	15TH Floor, Castlemead, Lower Castle Street, Bristol, BS1 3AG	7,033.30
CD0002	Direct Pallet Services Ltd	Unit 7, Blandford Works, Cleve Hill Road, Burford, Tenbury Wells Worcs, WR15 8HJ	1,260.00
CD0003	De Lage Landen Leasing Ltd	Po Box 430, Watford, Herts, WD18 8EZ	943.20
CD04	Dance Direct	c/o Cedric Guillerme, 6 Rue Gay Lussac, 33700 Merignac, France	302.75
CE0000	E.On Energy Solutions Ltd (Gas) (Ac No 0145 7	P O Box 123, Nottingham, NG1 6HD	217.26
CE0001	E On Energy Supplies Ltd (Elec)	P O Box 123, Nottingham, NG1 6HD	646.58
CE02	EE Limited	Trident Place, Mosquito Way, Hatfield, AL10 9BW	148.72
CE04	E&B (HK) Limited	EB Brands, 555 Taxter Road Suite 210, Elmsford, NY 10523	3,310,678.16
CE05	E&B Giftware Inc	EB Brands, 555 Taxter Road Suite 210, Elmsford, NY 10523	6,523,123.20
CF0000	Fairburn Heating Solutions Ltd	Unit D, Maylite Business Centre, Martley, Worcestershire, WR69 6PQ	697.52
CG0000	Greenworks Solutions Ltd	Unit 1, Warsop Trading Estate, Edenbridge, Kent, TN8 5LD.	180.00
CG0001	G X S Limited	C/O Open Text Uk Ltd, 420 Thames Valley Park Drive, Thames Valley Park, Reading, Berkshire, RG6 1PT	216.00

Kallis & Company
Star Case (UK) Limited t/a EB Brands UK
B - Company Creditors

Key	Name	Address	£
CH0000	Hellman Worldwide Logistics	Kuhlmann House, Lancaster Way, Fradley Park, Lichfield Staffs, WS13 8SX	150.00
CH01	HM Revenue & Customs (VAT & PAYE)	ICHU, Benton Park View, Longbenton, Newcastle Upon Tyne, NE98 1ZZ	49,198.07
CI00	Industrial Property Investment Fund	C/o Jones Lang LaSalle, Property Accounts Dept, Amas Ltd, PO Box 55791, London, E14 5WQ	129,340.60
CJ0000	Jark Industrial Ltd	Beechurst, 8, Commercial Road, Norfolk, NR19 1AE	3,422.81
CJ0002	John Lewis Partnership	171 Victoria Street, London, SW1E 5NN	3,600.00
CK0000	Kounnis And Partners Ltd	Sterling House, Fulbourne Road, Walthamstow, London, E17 4EE	240.00
CK0001	Kuehne + Nagel Limited	Sunrise Parkway, Linford Wood East, Milton Keynes, MK14 6BW	37,452.62
CL0000	Loveshaw Europe	Unit 1 Newton Park, West Portway Ind Estate, Andover, Hants	486.00
CM0000	Msm/DRH Limited	Tonero House, Buckholt Drive, Worcester, WR4 9ND	628.80
CM0001	Merlin Office Supplies Limited	Unit 5, Northbrook Close, Gregory's Mill Ind Estate, Barbourne, Worcester, WR3 8BP.	397.99
CM02	Merchant Rentals Limited	Westway Park, Galway Crescent, Haydock, WA11 0GR	445.41
CN0000	Neopost Limited	Neopost House, South Street, Romford, Essex, RM1 2AR	24.02
CP0000	Phoenix Labels Ltd	Unit 6 Martel Court, S:Park Business Park, Stockport, SK1 2AF	168.00
CP0001	Peach Recruitment Ltd	Marmion House, Copenhagen Street, Worcester	2,574.00
CP0002	PPL Ltd	1 Upper James Street, London, W1F 9DF	159.74
CR0000	Recycle Pak Ltd Wire Only	Euxton Lane, Lincs, PR7 6TE	63.00
CR0001	Reydon Sports Plc	Unit 17 Easter Park, Lenton Lane, Nottingham, NG7 2PX	1,200.00
CS0000	Springpack Ltd	Global House, Hindlip Lane, Worcester, WR3 8SB	532.96
CS0001	Shop Direct Group Ltd	2nd Floor, 14 St George Street, London, W1S 1FE	598.92
CT0000	Transmec UK Ltd	Crossgate Road, Park Farm Ind Estate, Redditch, Worcs, B98 7SN	24,412.20
CT0001	Transalis Ltd	Technopole Building, Kingston Cresent, Portsmouth, Hampshire, PO2 8FA	658.80
CT02	Taylor Brown Financial Planning	Mr John Taylor, Stone House, Much Dewchurch, Hereford, HR2 8DL	700.00
CU0000	Ups Ltd	St David's Way, Bermuda Park, Nuneaton, Warks, CV10 7SD	276.82
CU0001	Ups Scs (Uk) Ltd	Brunel Road, Wakefield 41 Industrial Estate, Wakefield, WF2 0XW	1,800.27
CW0000	Worcester City Council	Revenues And Benefits, Po Box 11, Pershore, WR10 1PU	72,191.00
CW0001	Weber Marking Systems	Macmerry Industrial Estate, Tranent, Scotland, EH33 1RD	441.29
CW02	Water Plus	PO Box 12459, Harlow, CM20 9PJ	3,049.64

Kallis & Company
Star Case (UK) Limited t/a EB Brands UK
B - Company Creditors

Key	Name	Address	£
55 Entries Totalling			11,994,592.15

Kallis & Company
Star Case (UK) Limited t/a EB Brands UK
C - Shareholders

Key	Name	Address	Type	Nominal	No. Of Called Up	Paid Up
				Value	Shares	
HE00	E&B (UK) Ltd	E&B (UK) Ltd, Berkeley Business Park, Wainwright Road, Wor				1,000

**Star Case (UK) Limited t/a EB Brands UK
(In Administration)
Joint Administrators' Trading Account
To 14/09/2017**

S of A £	£	£
POST APPOINTMENT SALES		
Sales	196,347.85	
Consignment Stock Sales - Boundary	1,166.25	
Conisgnment Stock Sales - Tesco	39,672.78	
Recycling Income	434.13	
		237,621.01
TRADING EXPENDITURE		
Accountancy Fees	100.00	
Telephone & broadband	421.03	
PPS	324.52	
Waste Management	3,341.36	
Hire of Equipment	745.97	
Utilities	964.17	
Sundry expenses	46.99	
Wages Expenses & Employer Deducti	69,301.06	
IT Support	1,579.26	
		(76,824.36)
TRADING SURPLUS/(DEFICIT)		160,796.65


Star Case (UK) Limited t/a EB Brands UK
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 14/09/2017

S of A £		£	£
	SECURED ASSETS		
NIL	Leasehold Land & Property	NIL	NIL
	SECURED CREDITORS		
(1,793,341.00)	Antares Capital	NIL	NIL
	ASSET REALISATIONS		
16,150.00	Plant & Machinery	NIL	
2,500.00	Office Furniture & Equipment	325.00	
70,000.00	Stock	NIL	
Uncertain	Sample Stock	NIL	
141,239.63	Book Debts	294,891.91	
	Petty cash	0.79	
Uncertain	VAT Refund	8,953.41	
457,596.58	Cash at Bank	458,237.49	
Uncertain	Cash in Hand (Foreign Currency)	204.63	
	Trading Surplus/(Deficit)	160,796.65	
18,000.00	Cash Held on Appointment (ClientAcco	18,000.00	941,409.88
	COST OF REALISATIONS		
	Specific Bond	760.00	
	Electronic Data Storage	7,110.00	
	Bank Charges	901.75	(8,771.75)
	PREFERENTIAL CREDITORS		
(4,000.00)	Employee Arrears/Hol Pay	NIL	NIL
	UNSECURED CREDITORS		
(188,911.12)	Trade & Expense Creditors	NIL	
(162,010.00)	Employees	NIL	
(129,340.60)	Landlord	NIL	
(9,833,801.36)	Intercompany Debtors	NIL	
(2,661.00)	HM Revenue & Customs (PAYE)	NIL	
(46,537.07)	HM Revenue & Customs (VAT)	NIL	NIL
	DISTRIBUTIONS		
(1,000.00)	Ordinary Shareholders	NIL	NIL
(11,456,115.94)			932,638.13
	REPRESENTED BY		
	Post Appointment Debtors		114,538.31
	VAT Receivable		1,768.06
	Barclays Bank		399,967.08
	Wells Fargo Bank		441,442.29

Kallis & Company Client Account
VAT Payable

18,000.00
(43,077.61)

932,638.13



Kikis Kallis FCCA FABRP
Joint Administrator

Appendix 5: Details of work to be undertaken in the Administration

B. Work for which the Administrator is seeking to be remunerated on a time 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 physical/electronic case files (as applicable).

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 (as applicable).

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).

Preparing, reviewing and issuing proposals to the creditors and members.

Filing the proposals at Companies House.

Convening and holding a meeting of creditors to consider the proposals.

Reporting on the outcome of the meeting of creditors to the creditors, Companies House and the Court.

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 6 month progress reports to creditors and members.

Filing progress reports 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.

Filing final reports at Companies House.

Realisation of assets:

Arranging suitable insurance over assets.

Regularly monitoring the suitability and appropriateness of the insurance cover in place.

Corresponding with debtors and attempting to collect outstanding book debts.

Liaising with the bank regarding the closure of the account.

Instructing agents to value known assets.

Liaising with agents to realise known assets.

Instructing solicitors/Debt collection agents to assist in the realisation of assets.

Liaising with the secured creditors over the realisation of the assets subject to a mortgagee or other charge.

Creditors:

Obtaining information from the case records about employee claims.

Completing documentation for submission to the Redundancy Payments Office.

Corresponding with employees regarding their claims.

Liaising with the Redundancy Payments Office regarding employee claims.

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

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

Issuing a notice of intended dividend and placing an appropriate gazette notice.

Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.

Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.

Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend.

Paying tax deducted from the dividends paid to employees.

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

Trading:

Obtaining appropriate information about the business and preparing a business plan and cash flow forecasts.

Arranging suitable insurance for the business

Setting up suitable systems and controls in respect of purchases and sales for the business

Liaising with staff and trade unions

Setting up a new RTI registration for the business with HMRC and submitting relevant information in respect of wages and salaries paid

Monitoring and controlling the day to day trading of the business

Monitoring compliance with Health and Safety obligations in respect of the business

Analysis of Office Holder's time costs for the period 24/07/2017 To 08/09/2017

Classification of Work Content	Partner Hours	Senior Manager Hours	Manager Hours	Senior Hours	Support Hours	Total Hours	Total Cost (GBP)	Average Hourly Rate (GBP)
Administration & Planning								
AD1.1 - Case planning and review	17.75	9.30	1.25	64.53	19.33	112.16	22,770.00	203.01
AD1.2 - Ongoing administration matters	5.45	7.50	0.75	37.46	0.20	51.36	10,860.75	211.46
AD1.3 - Statutory notices & reporting	8.50	1.80	0.00	6.99	11.73	29.02	6,096.75	210.09
Financials	3.80	0.00	0.50	20.08	7.40	31.78	5,812.50	182.90
AD2.2 - Banking and reconciliations	10.00	0.00	0.00	13.00	11.15	34.15	7,080.50	207.34
AD2.3 - Expense reviews and payments	6.50	0.00	0.00	7.36	3.85	17.71	4,103.50	231.71
Realisation of Assets	3.50	0.00	0.00	5.64	7.30	16.44	2,977.00	181.08
AD3.1 - Dealing with agents, asset and business sales	7.30	0.00	2.80	28.04	7.26	45.40	8,958.50	197.32
AD3.2 - Retention of title	3.70	0.00	1.60	17.12	0.13	22.55	4,732.00	209.84
AD3.3 - Book debt collection	1.30	0.00	1.20	3.62	0.13	6.25	1,393.50	222.96
AD3.4 - Identifying assets and recovery	1.90	0.00	0.00	6.00	7.00	14.90	2,455.50	164.80
Investigations	0.40	0.00	0.00	1.30	0.00	1.70	377.50	222.06
AD4.1 - SIP 2 review & CDDA reports	0.60	0.00	0.00	4.06	5.00	9.66	1,435.50	148.60
AD4.2 - Inventory and record review	1.70	0.00	0.00	14.42	14.57	30.69	4,611.00	150.24
Creditors	0.00	0.00	0.00	0.70	0.00	0.70	122.50	175.00
AD5 - Creditors	0.00	0.00	0.00	3.36	5.00	8.96	1,313.00	146.54
AD5.1 - Communication with creditors	1.70	0.00	0.00	0.00	1.30	1.30	130.00	100.00
AD5.2 - Creditors' claims (including Employees' and other preferential creditors')	0.00	0.00	0.00	13.22	0.00	14.92	2,944.00	197.32
Trading	19.95	0.00	0.00	54.37	27.39	101.71	19,525.00	191.97
AD7 - Trading On	0.00	0.00	0.00	0.00	1.00	1.00	100.00	100.00
AD7.1 - Management of operations	12.05	0.00	0.00	33.48	1.22	46.75	10,370.25	221.82
AD7.2 - Accounting for trading	5.90	0.00	0.00	11.33	23.40	40.63	6,468.75	159.21
AD7.3 - On-going employee issues	2.00	0.00	0.00	9.56	1.77	13.33	2,586.00	194.00
Total Hours	57.30	9.30	4.05	178.42	84.70	333.77		192.89
Total Fees (GBP)	21,090.25	2,650.50	946.25	31,223.50	8,470.00		64,380.50	

Appendix 7

Star Case UK Limited - in Administration

Notes	Estimated Outcome Statement as at 12 September 2017	Book Value £	Receipts and Payments to Date £	Estimated Future Receipts and Payments £	Final Estimated Outcome £
	ASSETS				
	<u>FIXED CHARGE ASSETS</u>				
1	Leasehold Property		-	-	0.00
	Chargeholder Antares Capital		(1,793,340.84)	-	-1,793,340.84
	Deficiency c/d		(1,793,340.84)	-	-1,793,340.84
	<u>FLOATING CHARGE ASSETS</u>				
	Plant and Machinery	40,384.00	-	11,750.00	11,750.00
	Office Furniture & Equipment		325.00	1,750.00	2,075.00
	Sample Stock		-	3,000.00	3,000.00
2	Stock as at 24/07	616,000.00	237,621.01	113,783.00	351,404.01
3	Book Debts	531,839.00	294,891.91	75,000.00	369,891.91
	Cash at Bank & In Hand	458,237.49	458,237.49	-	458,237.49
	Vat Refund		8,953.41	-	8,953.41
	Cash Foreign Currency & Petty cash		205.42	-	205.42
			<u>1,000,234.24</u>	<u>205,283.00</u>	<u>1,205,517.24</u>
	<u>costs of floating charge realisations</u>				
	Trading Expenses		4,879.94	25,000.00	29,879.94
	Joint Administrators' Fees		-	140,000.00	140,000.00
	Joint Administrators' Expenses		-	5,000.00	5,000.00
	Specific Bond		760.00	-	760.00
	Electronic Data Storage		3,000.00	1,500.00	4,500.00
	Bank Charges		901.75	500.00	1,401.75
	Salaries & Expenses		69,001.06	20,000.00	89,001.06
	Payroll taxes & Benefits		-	28,000.00	28,000.00
	Building Rent		-	34,000.00	34,000.00
	Building service charges		-	7,135.00	7,135.00
	Utilities (rates, gas & electric)		-	9,000.00	9,000.00
			<u>78,542.75</u>	<u>270,135.00</u>	<u>348,677.75</u>
	<u>Available for Preferential Creditors</u>		<u>921,691.49</u>	<u>(64,852.000)</u>	<u>856,839.49</u>
	LIABILITIES				
	<u>PREFERENTIAL CREDITORS:-</u>				
4	Employee Arrears/Hol Pay	Estimate			-1,480.77
	Net Property				<u>855,358.72</u>
5	Less Prescribed Part				-174,071.74
	Available for Floating chargeholder				<u>681,286.98</u>
	Less Floating chargeholder				-1,793,340.84
	Deficiency to Floating chargeholder				-1,112,053.86
	Prescribed part b/d				174,071.74
	Administrators Fees for costs of Distribution to Creditors				-26,839.00
	Amount available for Unsecured Creditors				<u>147,232.74</u>
	<u>Unsecured non-preferential claims</u>				
	Employees (Notice & Redundancy) & US Staff				162,010.00
	HM Revenue & Customs (PAYE)				2,661.00
	HM Revenue & Customs (VAT)				46,537.07
	Trade Creditors				318,251.72
	Intercompany Balances (Hong kong)				3,310,678.00
	Intercompany Balances (US)				6,523,123.00
	Total Unsec Liabilities				<u>10,363,260.79</u>
	<u>Dividend Rate p in £</u>				1.58
	Employees (Notice & Redundancy) & US Staff				2,721.28
	HM Revenue & Customs (PAYE)				44.70
	HM Revenue & Customs (VAT)				781.68
	Trade Creditors				5,345.68
	Intercompany Balances (Hong kong)				55,609.48
	Intercompany Balances (US)				109,568.93
					<u>174,071.74</u>
	Deficit to Unsecured Creditors				-10,189,189.05
	Deficit to Secured Creditor b/d				-1,112,053.86
	Total Deficit to Creditors				<u>-11,301,242.91</u>

		Receipts and Payments to Date	Estimated Future Receipts and Payments	Final Estimated Outcome
	<u>Notes</u>			
1	<u>Administration:</u> As per LSH Valuation Nil premium on lease.			
2	<u>Stock</u>			
	Stock Invoiced in trading to 31/08	237,621.01		
	Stock Clearance sale (awaiting funds to clear)		93,783.00	
	Future Consignment sales (estimate)		20,000.00	
		<u>237,621.01</u>	<u>113,783.00</u>	<u>351,404.01</u>
3	<u>Book Debts</u>			
	Book Debts Received to date	294,891.91		
	Estimate of Future Book debt collections		75,000.00	<u>369,891.91</u>
4	<u>Employees</u>			
	Holiday pay has been paid as an expense of the Administration to employees	5,254.70		
	Only 1 employee is understood to have a balancing Preferential claim capped at RPO limit.		1,480.77	1,480.77
5	<u>Prescribed Part Calc</u>			
	Net Property			855,358.72
	50% of first 10,000			5,000.00
	20% Balance up to £600k			169,071.74
	<u>Prescribed Part</u>			<u>174,071.74</u>
	<u>Suprlus Available to Chargeholder</u>			<u>681,286.98</u>

PRACTICE FEE RECOVERY POLICY FOR KALLIS & COMPANY

Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

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/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at www.kallis.co.uk. Alternatively a hard copy may be requested from Kallis & Company, Mountview Court, 1148 High Road, London N20 0RA. Please note, that we have provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Chargeout Rates

Grade of staff	Current charge-out rate per hour, effective from 01/10/2015	Previous charge-out rate per hour, effective from 01/10/2012	Previous charge-out rate per hour, effective from 01/10/2010
Partner – appointment taker	£340-375	£275-£335	£275-£320
Senior Manager	£285	£275	£275
Manager	£225	£170-£275	£170-£275
Senior/Case Administrator	£150-175	£90-£175	£90-£175
Support Staff	£85-100	£60-£85	£60-£85

Where necessary and appropriate, members of staff from other departments of the practice will undertake work on a case. They will be charged at their normal charge out rate for undertaking such work.

These charge-out rates charged are reviewed on periodic basis and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

Administration and Planning; Financials; Investigations; Realisation of Assets; Creditors; Trading; Case specific matters.

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and on new appointments we continue to seek time costs for the majority of our cases.

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken, or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any

realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Fixed fee

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Members' voluntary liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

Solicitors/Legal Advisors; Auctioneers/Valuers; Accountants; Quantity Surveyors; Estate Agents; Other Specialist Advisors.

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Disbursements

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Kallis & Company; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements are recovered:

Room Hire	£50 per hour
Mileage	40p per mile
Storage	£15 per box per annum
Destruction Costs	£5.50 per box

FEES ESTIMATE SUMMARY			
Star Case (UK) Ltd (In Administration)			
<p>The office holder is seeking to be remunerated on a time cost basis. 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>			
	Blended Rate	Hourly Rate Range	
The hourly charge out rates that will be used on this case are:	£	£	
Partners – appointment takers	357.50	340-375	
Senior Managers	230.00	175-285	
Senior Administrators	175.00	175	
Case Administrators	100.00	100	
Cashier	100.00	100	
Support staff	100.00	100	
ADMINISTRATION			
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 £
Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.	37.00	11,697.50	
Setting up physical/electronic case files	3.50	610.00	
Setting up the case on the practice's electronic case management system and entering data.	1.50	150.00	
Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment	13.00	2,592.50	
Obtaining a specific penalty bond.	3.50	803.75	
Dealing with all routine correspondence and emails relating to the case.	75.00	16,275.00	
Reviewing the adequacy of the specific penalty bond on a quarterly basis.	2.25	419.38	
Undertaking periodic reviews of the progress of the case.	60.00	13,775.00	
Overseeing and controlling the work done on the case by case administrators.	5.00	1,532.50	
Preparing, reviewing and issuing progress reports to creditors and members	54.00	11,752.50	
Filing returns at Companies House and/or Court	5.00	1,275.00	
Seeking closure clearance from HMRC and other relevant parties.	2.75	339.38	
Preparing, reviewing and issuing final reports to creditors and members	5.50	1,197.50	
Filing final returns at Companies House and/or Court (as applicable).	1.25	254.38	
Total:	269.25	£62,674.38	£ 232.77
FINANCIALS			
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 £
Opening, maintaining and managing the office holder's estate bank account	9.50	1,855.00	
Creating, maintaining and managing the office holder's cashbook/Receipts & Payments Account.	49.00	9,562.50	
Undertaking regular bank reconciliations of the bank account containing estate funds.	4.50	708.75	
Preparing and filing VAT returns	4.00	787.50	
Total:	67.00	£12,913.75	£ 192.74
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.		7.00	1,090.00	
Listing the books and records recovered.		12.00	1,460.00	
Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act		7.00	1,217.50	
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.		10.00	1,647.50	
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		3.00	430.00	
Total:		39.00	£5,845.00	£ 149.87
REALISATION OF ASSETS				
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 £
Arranging suitable insurance over assets.		1.50	376.88	
Regularly monitoring the suitability and appropriateness of the insurance cover in place.		0.75	204.38	
Corresponding with debtors/agents and attempting to collect outstanding book debts and consignments.		82.00	16,865.00	
Liaising with the bank regarding the opening & closure of the accounts (Company and Estate)		5.00	1,082.50	
Instructing agents to value known assets.		3.25	779.38	
Liaising with agents to realise known assets.		21.00	4,565.00	
Instructing agents/ solicitors to assist in the realisation of assets.		1.50	345.00	
Liaising with the secured creditors over the realisation of the assets subject to a mortgagee or other charge.		18.00	5,160.00	
Total:		133.00	£29,378.13	£ 220.89
TRADING				
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 £
Obtaining appropriate information about the business and preparing a business plan and cash flow forecasts.		15.00	4,087.50	
Arranging suitable insurance for the business		1.75	434.38	
Setting up suitable systems and controls in respect of purchases and sales for the business		14.00	3,730.00	
Liaising with staff and trade unions		5.50	1,198.75	
Setting up a new RTI registration for the business with HMRC and submitting relevant information in respect of wages and salaries paid		6.00	1,247.50	
Monitoring and controlling the day to day trading of the business		87.00	21,575.00	
Monitoring compliance with Health and Safety obligations in respect of the business		2.50	638.75	
Total:		131.75	£32,911.88	£ 249.81
CREDITORS				
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 £
Obtaining information from the case records about employee claims.		4.00	530.00	
Completing documentation for submission to the Redundancy Payments Office.		4.75	734.38	
Corresponding with employees regarding their claims.		6.00	1,377.50	
Liaising with the Redundancy Payments Office regarding employee claims.		8.00	1,190.00	
Dealing with creditor correspondence, emails and telephone conversations regarding their claims.		46.00	8,745.00	
Maintaining up to date creditor information on the case management system.		7.00	960.00	
Issuing a notice of intended dividend and placing an appropriate gazette notice.		5.25	979.38	
Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.		29.00	4,975.00	

	Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.	7.00	960.00	
	Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend.	15.00	2,665.00	
	Total:	132.00	£23,116.25	£ 175.12
	GRAND TOTAL FOR ALL CATEGORIES OF WORK	772.00	£166,839.38	£ 216.11

PROOF OF DEBT - GENERAL FORM

Star Case (UK) Limited t/a EB Brands UK 02075324	
This proof must be made out by, or under the direction of, the creditor and authorised by the creditor or a person with relevant authorisation as at the date of administration order.	
Date of Administration Order 24/07/2017	
1.	Name of Creditor (If a company please also give company name and registration number)
2.	Address of Creditor for correspondence (principal place of business)
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into administration
4.	If amount in 3 above includes outstanding uncapitalised interest please state amount
5.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)
6.	Particulars of any security held, the value of the security, and the date it was given
7.	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates
8.	Details of any documents by reference to which the debt can be substantiated. [Note there is no need to attach them now but the administrator may call for any document or evidence to substantiate the claim at his discretion as may the chair or convenor of any meeting]
9.	Signature of creditor or person authorised to act on his behalf
	Name in BLOCK LETTERS
	Position with or in relation to creditor <hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/> Address of person signing (if different from 2 above)
Admitted to vote for	Admitted for dividend for
£	£
Date	Date
Administrator	Administrator