

The Insolvency Act 1986

Liquidator's Progress Report
Pursuant to Section 192 of
The Insolvency Act 1986**S.192**

For Official Use

To the Registrar of Companies

--	--	--

Company Number

03035251

Name of Company

Coffee Republic (UK) Limited

I / We
Richard John Hill
PO Box 695
8 Salisbury Square
London
EC4Y 8BBDavid John Crawshaw
PO Box 695
8 Salisbury Square
London
EC4Y 8BBthe liquidator(s) of the company attach a copy of my/our progress report
under section 192 of the Insolvency Act 1986

Signed



Date

5 July 2011

KPMG LLP
PO Box 695
8 Salisbury Square
London
EC4Y 8BB

Ref CA621B4122/RC/JR/MS

Ins

THURSDAY



APGDZW7U

A40 28/07/2011 103

COMPANIES HOUSE

A55 09/07/2011 115

COMPANIES HOUSE

Coffee Republic (UK) Limited
(In Liquidation)
Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 17/06/2010 To 16/06/2011
	ASSET REALISATIONS	
	Associated companies	1,661 70
	VAT refunds (pre-liq)	49,648 90
	VAT refund (pre-liq)- Goodbean Limite	1,388 32
278,000 00	Funds from Administrators	724,496 97
		<u>777,195 89</u>
	OTHER REALISATIONS	
	Bank interest, gross	690 39
	Cash at bank	16,731 62
	Sundry refunds	524 66
	ISA interest gross	2,328 49
	Tax paid on ISA interest	(465 70)
	Rates refund	13,139 51
		<u>32,948 97</u>
	COST OF REALISATIONS	
	Third party funds - from Admin	33,117 19
	Cheque/Payable order fee	(193 20)
	Administrators' fees	(4,000 00)
	Liquidator's fees	(131,480 10)
	Agents'/Valuers' fees	(402 79)
	Legal fees	(2,430 68)
	Corporation tax	(261 52)
	Storage costs	(138 00)
	Statutory advertising	(532 80)
	Other property expenses	(3,656 78)
	Insurance of assets	(4,364 27)
	Bank charges	(107 33)
	Employee trace fees	(16 95)
		<u>(114,467 23)</u>
	PREFERENTIAL CREDITORS	
(22,042 72)	Employees' wage arrears	7,984 58
(11,454 72)	Employees' holiday pay	10,804 81
		<u>(18,789 39)</u>
	UNSECURED CREDITORS	
(2,438,324 00)	Trade & expense	90,052 12
	EP(C)A bal & redundancy	554 52
	Connected companies	573,068 00
	Non-preferential NIC	6,731 31
	Non-preferential PAYE	4,966 69
		<u>(675,372 64)</u>
	DISTRIBUTIONS	
(400,138 00)	Ordinary shareholders	<u>NIL</u>
		<u>NIL</u>
(2,593,959 44)		<u>1,515 60</u>

REPRESENTED BY

VAT receivable	14,479 80
NIB ISA w/e 22/6/11	823 98
Floating ch VAT control	(13,788 18)
	<hr/>
	1,515 60
	<hr/>

Richard John Hill
Liquidator



KPMG LLP
Restructuring
8 Salisbury Square
London
EC4Y 8BB
United Kingdom

Tel +44 (0) 20 7311 1000
Fax +44(0) 20 7311 3311
DX 38050 Blackfriars

To all known creditors

Our ref REC/JRR/1F

Contact James Rivers
0207 311 8091

21 July 2011

Dear Sirs

**Coffee Republic (UK) Limited ("the Company")
Final Progress Report to creditors**

In accordance with Section 105 of the Insolvency Act 1986, I attach the Joint Liquidators' report on the progress of the liquidation to date. I attach a summarised receipts and payments account to 19 July 2011.

The liquidation of the Company is, for practical purposes, complete and accordingly I attach a notice convening a final meeting of members / creditors to be held on 18 August 2011 and a proxy form for your use if appropriate. The purposes of the meeting are to receive a report of the winding-up and to determine whether the Liquidators should have their release under section 106 of the Insolvency Act 1986. A proxy form to be used at the meeting should be returned in accordance with the instructions given on the notice calling the meeting by no later than 12 noon on 17 August 2011.

In accordance with the Insolvency Rules 1986, I must have regard to the convenience of creditors when convening a creditors' meeting. If you should wish to attend but the proposed venue is not convenient to the general body of creditors, then I will consider rearranging the meeting provided any such request is made within the next seven days in order that I may inform all other creditors of any amended arrangements.

Yours faithfully
for Coffee Republic (UK) Limited


Richard John Hill
Joint Liquidator

Richard John Hill and David John Crawshaw are authorised to act as insolvency practitioners by the Insolvency Practitioners' Association in England & Wales.

RESTRUCTURING	
25 JUL 2011	
FOR ACTION	
by the Insolvency Practitioners' Association	ASSIST MANAGER

Enclosures



**Coffee Republic (UK) Limited in
liquidation**

**Final progress report
for the period from 17 June 2010
to 21 July 2011**

Pursuant to Rule 4 49(C) of the Insolvency
Rules 1986 (as amended)

KPMG LLP
21 July 2011



Notice : About this report

This progress report has been prepared by Richard John Hill and David John Crawshaw the liquidators of this company, solely to comply with their statutory duty under the Insolvency Act and Rules 1986 to provide members and creditors with an update on the progress of the liquidation of the estate, and for no other purpose

This report is not suitable to be relied upon by any other person, or for any other purpose, or in any other context including any investment decision in relation to the debt of or any financial interest in this company. Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Act and Rules 1986 (as amended) does so at their own risk. Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for individual creditors.

Richard John Hill and David John Crawshaw are authorised to act as an insolvency practitioner by The Institute of Chartered Accountants in England and Wales. The appointments of the Joint Liquidators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the liquidation.



Contents

Glossary

- 1 Executive summary**
- 2 Progress of the liquidation**
- 3 Estimated outcome for creditors**
- 4 Other matters**
- 5 Future strategy**

Appendices

- 1 Company information**
- 2 Liquidators' receipts and payments account for the period 17 June 2010 to 19 July 2011**
- 3 Analysis of Liquidators' time costs for the period 17 June 2010 to 15 July 2011 and schedule of hourly charge out rates**
- 4 Notice of final meeting of creditors / members**
- 5 Proxy forms**



Glossary

Act	The Insolvency Act 1986 (as amended)
Company	Coffee Republic (UK) Limited
Directors	P Breach S Bartlett J Munhead
Liquidators	Richard John Hill David John Crawshaw
Rules	The Insolvency Rules 1986 (as amended)

The references in these proposals to Sections, Paragraphs or Rules are to the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules 1986, all as amended, respectively



1. Executive summary

- Richard John Hill and David John Crawshaw were appointed Joint Liquidators pursuant to Paragraph 83(7)
- This progress report covers the period from 17 June 2010 to 21 July 2011
- Following the liquidation of the Company, funds of £757,614 were immediately transferred from the former administrators in respect of their surplus
- There are no secured creditors
- Preferential creditors have been paid a dividend of 100p in the £
- Unsecured creditors have been paid a dividend of 2.18p in the £
- The Liquidators' receipts and payments account for the period of this report is attached as Appendix 2. The figures are shown net of VAT
- The basis of the Liquidators' remuneration has been fixed by the creditors on a time costs basis (see section 2.2.2)
- Company information as required under Rule 4.49(C) is attached at Appendix 1

Richard John Hill
Joint Liquidator



2. Progress of the liquidation

2.1. Asset realisations

2.1.1 Funds from Administrators

A total of £757,614 has been received from the Company's former Administrators in respect of their surplus. Interest of £690 was also received.

2.1.2 Rates refunds

£13,140 has been received in relation to business rates refunds.

2.1.3 Cash at bank

The Liquidators have received the sum of £16,732 following the close of two pre-appointment bank accounts.

2.1.4 VAT refunds

£49,649 of VAT refunds (relating to pre liquidation expenditure) was claimed by the Company. Further VAT refunds of £1,388 (relating to pre liquidation expenditure) were claimed by the Company in relation to Goodbean Limited.

2.1.5 Associated companies

£1,662 was realised in relation to associated companies.

2.1.6 Sundry refunds

£525 has been received in respect of various sundry refunds.

2.1.7 Interest

An amount of £3,740 had been received on the funds held in the Insolvency Services Account. Tax of £748 was deducted at source.

2.2. Costs of realisations

Payments made in this period are set out in the attached receipts and payments account (see Appendix 2). The figures on this account are shown net of VAT.

Under Rule 4.49E, creditors are advised, that within 21 days of receipt of this report a creditor may request additional information about the Liquidators' remuneration and expenses as set out in this report. A request must be in writing, and may be made either, by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

In addition, under Rule 4.131, any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of creditors, or with the permission of the court may apply to the court, to challenge the remuneration charged, the basis of remuneration or the expenses incurred by the liquidator. Any such application must be made no later than eight weeks after receipt of the first report which reports the charging of the remuneration or the incurring of expenses in question.

The full text of Rules 4.49E and 4.131 can be provided on request by writing to James Rivers at KPMG LLP, 8 Salisbury Square, London EC4Y 8BB.



2.2.1 Administrators' fees

In their final report to creditors the Administrators advised that they had not drawn their full approved remuneration and that £4,000 was still outstanding. This sum has now been paid in the liquidation.

2.2.2 Liquidators' remuneration

The statutory provisions relating to remuneration are set out in Rule 4.127. Further information can be found in the Association of Business Recovery Professionals' publication "A creditors' guide to Liquidators' fees", a copy of which can be found at

http://www.13.org.uk/media/documents/technical_library/SIPS/SIP-9-EW-INTER.pdf

However, if you are unable to access this guide and would like a copy please contact James Rivers on 0207 311 8091 who will send you a copy.

The basis of the Liquidators' remuneration has been fixed on a time cost basis by the creditors on 17 December 2010.

An analysis of the Liquidators' time costs for the period of this report is attached, together with a schedule of the Liquidators' hourly charge out rates (see Appendix 3). This shows that the Liquidators have incurred time costs of £133,524 representing 514 hours at an average hourly rate of £260.

The Liquidators have drawn remuneration of £131,480. The balance of funds will be drawn as a final fee prior to the final meeting.

2.2.3 Insurance of assets

A total of £4,364 has been paid to insurers in respect of insurance premiums which fell due during the administration.

2.2.4 Legal costs

Solicitors were instructed to advise and assist in relation to the liquidation and their charges total £2,431.

2.2.5 Agents costs

Agents were appointed to agree and recover business rates overpayments. Their charges totalled £403.

2.2.6 Other

Other self explanatory costs are set out in the attached receipts and payments account.

3. Estimated outcome for creditors

3.1. Secured creditors

There are no secured creditors.



3.2. Preferential creditors

Claims totalling £18,789 have been received and agreed from 38 preferential creditors. A first and final dividend of 100p in the £ has been paid on these claims.

3.3. Unsecured creditors

Claims totalling £32,782,695 have been received and agreed from 172 creditors. A first and final dividend of 2.18p in the £ has been paid on these claims.

4. Other matters

4.1. Investigations

The Liquidators also have a duty to investigate the conduct of directors, and submit a report to Department of Business Innovation and Skills on the conduct of those directors or shadow directors who were in office in the three years prior to the liquidation. The Liquidators have complied with this obligation. The contents of the report are confidential and cannot be disclosed.

5. Creditors and members meeting

The final meeting of creditors and members is to some extent a formality and as such there is no requirement for you to attend, unless you wish to do so. However, the Liquidators should be grateful if you intend to attend by completing and return the enclosed form of proxy.



Appendix 1

Company information

Company and trading name	Coffee Republic (UK) Limited
Registration number	03035251
Previous registered office	Ground Floor, 109-123 Clifton Street, London, EC2A 4LD
Present registered office	c/o KPMG LLP 8 Salisbury Square London EC4Y 8BB
Liquidators	Richard John Hill and David John Crawshaw
Liquidators' address	8 Salisbury Square London EC4Y 8BB
Date of appointment	17 June 2010



Coffee Republic (UK) Limited in liquidation
Final progress report
KPMG LLP
21 July 2011

Appendix 2

**Liquidators' receipts and payments account for the period 17
June 2010 to 19 July 2011**

Coffee Republic (UK) Limited
(In Liquidation)
Liquidators' Abstract of Receipts & Payments
To 19/07/2011

S of A £		£	£
	ASSET REALISATIONS		
	Associated companies	1 661 70	
	VAT refunds (pre-liq)	49,648 90	
	VAT refund (pre-liq)- Goodbean Limited	1 388 32	
278 000 00	Funds from Administrators	757,614 16	
			810,313 08
	OTHER REALISATIONS		
	Bank interest gross	690 39	
	Cash at bank	16,731 62	
	Sundry refunds	524 66	
	ISA interest gross	3,739 56	
	Tax paid on ISA interest	(747 91)	
	Rates refund	13,139 51	
			34,077 83
	COST OF REALISATIONS		
	Cheque/Payable order fee	196 20	
	Administrators' fees	4,000 00	
	Liquidator's fees	131,480 10	
	Agents'/Valueis' fees	402 79	
	Legal fees	2,430 68	
	Corporation tax	261 52	
	Storage costs	138 00	
	Statutory advertising	532 80	
	Other property expenses	3,656 78	
	Insurance of assets	4,364 27	
	Bank charges	130 33	
	Employee trace fees	20 50	
			(147 613 97)
	PREFERENTIAL CREDITORS		
(22 042 72)	Employees' wage arrears	7 984 58	
(11 454 72)	Employees' holiday pay	10 804 81	
			(18,789 39)
	UNSECURED CREDITORS		
(2 438 324 00)	Trade & expense	90 052 12	
	EP(C)A bal & redundancy	554 52	
	Connected companies	573,068 00	
	Non-preferential NIC	6,731 31	
	Non-preferential PAYE	4,966 69	
			(675 372 64)
	DISTRIBUTIONS		
(400 138 00)	Ordinary shareholders	NIL	
			NIL
(2,593,959 44)			2,614.91



Coffee Republic (UK) Limited in liquidation
Final progress report
KPMG LLP
21 July 2011

Appendix 3

Analysis of Liquidators' time costs for the period from 17 June 2010 to 15 July 2011 and schedule of hourly charge out rates

Coffee Republic (UK) Limited (in liquidation)

Joint Liquidators' Time Costs Analysis

17 June 2010 to 15 July 2011

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Administration & planning							
Bankrupt/Director/Member							
General correspondence			0 20		0 20	£45 00	£225 00
Cashiering							
Fund management			0 30		0 30	£69 00	£230 00
General (Cashiering)		20 80	12 64		33 44	£9,806 60	£293 26
Reconciliations (& IPS accounting reviews)			1 90	1 40	3 30	£514 50	£155 91
General							
Books and records			1 15		1 15	£249 25	£216 74
Fees and WIP		1 30	1 30		2 60	£777 00	£298 85
Statutory and compliance							
Appointment and related formalities		2 10	3 30		5 40	£1 593 00	£295 00
Bonding and bordereau			0 60	0 70	1 30	£208 50	£160 38
Checklist & reviews		4 00	12 90		16 90	£4,314 50	£255 30
Closure and related formalities	1 00		14 80		15 80	£3,151 00	£199 43
Statutory receipts and payments accounts				0 60	0 60	£66 00	£110 00
Strategy documents	0 20	1 10			1 30	£552 50	£425 00
Tax							
Initial reviews - CIT and VAT		0 90	0 60	3 00	4 50	£761 50	£169 22
Post appointment corporation tax		5 70	16 20	21 00	42 90	£7,862 50	£183 28
Post appointment VAT		9 20	10 40		19 60	£5 297 00	£270 26
Creditors							
Creditors and claims							
Agreement of claims			4 75		4 75	£1 068 75	£225 00
Agreement of preferential claims		6 20	0 20		6 40	£2,042 00	£319 06
Agreement of unsecured claims		98 20	102 60		200 80	£55 113 25	£274 47
General correspondence		12 00	18 40		30 40	£8,375 00	£275 49
Payment of dividends		0 50	4 50		5 00	£1,252 50	£250 50
Pre-appointment VAT / PAYE / CT		0 50	0 10		0 60	£195 00	£325 00
Statutory reports	0 70	2 40	3 90		7 00	£2 154 00	£307 71
Employees							
Agreeing employee claims			0 55		0 55	£129 00	£234 55
Correspondence		19 00	0 60		19 60	£6 519 00	£332 60
DII redundancy payments service		0 40	2 60		3 00	£754 50	£251 50
Pensions reviews		0 90	0 60		1 50	£428 00	£285 33
Investigation							
Directors							
Correspondence with directors			0 50		0 50	£118 50	£237 00
D form drafting and submission	0 30	0 30	2 00		2 60	£750 00	£288 46
Directors' questionnaire / checklist		0 50	3 10		3 60	£900 00	£250 00
Statement of affairs			2 00		2 00	£350 00	£175 00
Realisation of assets							
Asset Realisation							
Cash and investments		0 70	0 70		1 40	£454 50	£324 64
Freehold property			1 60		1 60	£264 00	£165 00
Health & safety			0 10		0 10	£22 50	£225 00
Freehold property		10 80	56 95	3 00	70 75	£16,752 50	£236 78
Open cover insurance			0 20		0 20	£45 00	£225 00
Other assets			1 70		1 70	£396 00	£232 94
Pre-appointment tax & VAT refunds		0 50			0 50	£172 50	£345 00
Total in period					513 84	£133 524 35	£259 86

All staff who have worked on this assignment including cashiers and secretarial staff have charged time directly to the assignment and are included in the above analysis of time spent

The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates

Appendix 3 (continued)

Coffee Republic (UK) Limited (in liquidation)

The current hourly charge-out rates for staff engaged on the liquidation are as follows

	17/06/10 to 30/09/10	01/10/10 to 15/07/11
RESTRUCTURING	£	£
Partner	515	535
Director	440	460
Senior Manager	405	425
Manager	320	345
Senior Administrator/ Assistant Manager	225	240
Administrator	165	175
Support staff	105	110



Coffee Republic (UK) Limited in liquidation
Final progress report
KPMG LLP
21 July 2011

Appendix 4

Notice of final meeting of creditors / members

Notice of final meeting of members

In the matter of Coffee Republic (UK) Limited

and

in the matter of the Insolvency Act 1986

A final meeting of members of the above-named company has been summoned by the liquidators for the purpose of

receiving an account showing the manner in which the winding up has been conducted and the property of the company disposed of and of hearing any explanation which may be given by the liquidators under section 106 of the Insolvency Act 1986

The meeting will be held as follows

Date 18 August 2011

Time 10 30 am

Place KPMG, 8 Salisbury Square London EC4Y 8BB

Insert date and time
by which proxy is
to be lodged which
should be not more
than 4 days before
the date fixed for
the meeting

A proxy form is enclosed which must be lodged with me not later than 12 00 noon on 17 August 2011 to entitle you to vote by proxy at the meeting

Richard John Hill, Joint Liquidator

Dated 21 July 2011

KPMG LLP
8 Salisbury Square
London EC4Y 8BB United Kingdom

Fax +44 (0) 20 7694 3533

Notice of final meeting of creditors

In the matter of Coffee Republic (UK) Limited

and

in the matter of the Insolvency Act 1986

A final meeting of creditors of the above-named company has been summoned by the liquidators under section 106 of the Insolvency Act 1986 for the purpose of

receiving the report of the liquidators of the winding up and determining whether the liquidators should have their release under section 173 of the Insolvency Act 1986

The meeting will be held as follows

Date 18 August 2011

Time 11 00 am

Place KPMG, 8 Salisbury Square London EC4Y 8BB

Insert date and time
by which proxy is
to be lodged which
should be not more
than 4 days before
the date fixed for
the meeting

A proxy form is enclosed which must be lodged with me not later than 12 noon on 17 August 2011 to entitle you to vote by proxy at the meeting

Richard John Hill, Joint Liquidator

Dated 21 July 2011

KPMG LLP
8 Salisbury Square
London EC4Y 8BB United Kingdom

Fax +44 (0) 20 7694 3533



Coffee Republic (UK) Limited in liquidation
Final progress report
KPMG LLP
21 July 2011

Appendix 6

Proxy forms

The Insolvency Act 1986

Proxy (creditors' voluntary winding up)

In the matter of Coffee Republic (UK) Ltd

and

in the matter of the Insolvency Act 1986

Notes to help completion of
the formPlease give full name and
address for communication

Name of creditors

Address

Please insert name of person
(who must be 18 or over) or
"chairman of the meeting" if
you wish to provide for
alternative proxy-holders in the
circumstances that your first
choice is unable to attend
please state the names of the
alternatives as well

Name of proxy-holder

1

2

3

Please delete words in brackets
if the proxy-holder is only to
vote as directed i.e. he has no
discretion

I appoint the above person to be my/the creditor's proxy-holder at the meeting of
members to be held on 18 August 2011, or at any adjournment of that meeting. The
proxy-holder is to propose or vote as instructed below (and in respect of any
resolution for which no specific instruction is given, may vote or abstain at his/her
discretion)

Voting instructions for resolutions:

Any resolutions which the proxy-holder is to propose or vote in favour of or against should be set out in numbered paragraphs in the space provided

This form must be signed

Signature _____ Dated _____

Name in CAPITAL LETTERS _____

Only to be completed if the member has not signed in person

Position with creditor or relationship to creditor or other authority for signature

The Insolvency Act 1986

Proxy (creditors' voluntary winding up)

In the matter of Coffee Republic (UK) Limited

and

in the matter of the Insolvency Act 1986

Notes to help completion of
the formPlease give full name and
address for communication

Name of member

Address

Please insert name of person
(who must be 18 or over) or
chairman of the meeting. If
you wish to provide for
alternative proxy-holders in the
circumstances that your first
choice is unable to attend
please state the names of the
alternatives as well

Name of proxy-holder

1

2

3

Please delete words in brackets
if the proxy-holder is only to
vote as directed i.e. he has no
discretion

I appoint the above person to be my/the member's proxy-holder at the meeting of members to be held on 18 August 2011, or at any adjournment of that meeting. The proxy-holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion)

Voting instructions for resolutions:

Any resolutions which the proxy-holder is to propose or vote in favour of or against should be set out in numbered paragraphs in the space provided

[illegible]

This form must be signed

Signature _____ Dated _____

Name in CAPITAL LETTERS _____

Only to be completed if the member has not signed in person

Position with member or relationship to member or other authority for signature
