

The Insolvency Act 1986

2.34B**Notice of move from administration
to creditors' voluntary liquidation**

Name of Company
Coffee Republic (UK) Limited

Company number
03035251

In the High Court Bristol District Registry [full name of court]
--

Court case number 1745 of 2009

We Richard John Hill
KPMG LLP
8 Salisbury Square
London
EC4Y 8BB
United Kingdom

David John Crawshaw
KPMG LLP
8 Salisbury Square
London
EC4Y 8BB
United Kingdom

having been appointed Joint Administrators of Coffee Republic (UK) Limited
KPMG LLP, 8 Salisbury Square London EC4Y 8BB

on 7 July 2009 by High Court Bristol District Registry

hereby give notice that

(a) Insert name(s) and
address(es) of
liquidator(s)

the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is proposed that
Richard John Hill, KPMG LLP, 8 Salisbury Square, London, EC4Y 8BB, United Kingdom, and David John
Crawshaw, KPMG LLP, 8 Salisbury Square, London, EC4Y 8BB, United Kingdom
will be the liquidators of the company (IP Nos 8027 8814)

We attach a copy of the final progress report

Signed

Richard Hill, Joint Administrator

Dated

10 June 2010

Contact Details.

You do not have to give any contact information in
the box opposite but if you do, it will help Companies
House to contact you if there is a query on the form
The contact information that you give will be visible to
researchers of the public record

James Rivers
KPMG LLP
8 Salisbury Square
London
EC4Y 8BB
United Kingdom

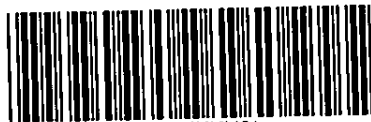
DX Number DX 38050 Blackfriars

Tel +44 20 7311 8091
DX Exchange

When you have completed and signed this form, please send it to the
Registrar of Companies at -

Companies House, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff



A12

AHPUKKU8

14/06/2010

154

COMPANIES HOUSE

MONDAY



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

KPMG LLP

**Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)**

**Final administration report to Creditors pursuant
to Rule 2.110 of the Insolvency Rules 1986**

KPMG LLP
10 June 2010

HM/JR



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

*KPMG LLP
10 June 2010*

Notice: About this Report

- This Report has been prepared by Richard John Hill and David John Crawshaw, the Joint Administrators of Coffee Republic (UK) Limited, Coffee Republic Franchising Limited and Goodbean Limited solely to comply with their statutory duty to report to creditors under the Insolvency Rules 1986 on the progress of the administrations and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- This Report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in Coffee Republic (UK) Limited, Coffee Republic Franchising Limited or Goodbean Limited.
- 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 creditors.
- Any person that chooses to rely on this Report for any purpose or in any context other than under the Insolvency Rules 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this Report to any such person.
- Richard John Hill and David John Crawshaw are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.
- The Joint Administrators act as agents for Coffee Republic (UK) Limited, Coffee Republic Franchising Limited and Goodbean Limited and contract without personal liability. The appointments of the Joint Administrators 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 administrations.



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

*KPMG LLP
10 June 2010*

Contents

Glossary

1	Introduction	2
2	Progress of the administrations	3
3	Creditors	5
4	Administrators' remuneration	6
5	Exit from administration	7

Appendices

1	Statutory information
2	Abstract receipts and payments accounts to 10 June 2010
3	Analysis of the Joint Administrators' time costs to 10 June 2010
4	Administrators' proposals



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

*KPMG LLP
10 June 2010*

Glossary

Act	The Insolvency Act 1986 as amended by the Enterprise Act 2002
AIM	Alternative Investment Market
Companies	CRF, CRUK and GB
CRF	Coffee Republic Franchising Limited
CRUK	Coffee Republic (UK) Limited
CVL	Creditors' Voluntary Liquidation
Directors	Steven George Bartlett Peter John Freeman Breach James Cameron Muirhead
GB	Goodbean Limited
Group	PLC and its trading subsidiaries, CRF, CRUK and GB
Joint Administrators	Richard John Hill & David John Crawshaw of KPMG LLP
PLC	Coffee Republic Plc
Rules	The Insolvency Rules 1986 as amended by the Enterprise Act 2002

The references in this report to sections, paragraphs or rules are to the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules 1986 (as amended) respectively



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

*KPMG LLP
10 June 2010*

1 Introduction

Creditors have previously been informed that we, Richard Hill and David Crawshaw, were appointed as Joint Administrators of CRUK, CRF and GB on 7 July 2009 by the High Court of Justice following the notices of intention to appoint Joint Administrators filed by the Directors

The administrations have now been concluded and, in line with the Joint Administrators' proposals as set out in their report dated 20 August 2009, CRF and CRUK are now being moved to liquidation (CVL) to realise the remaining assets and to make a distribution to their respective unsecured creditors. As set out in the proposals, Richard Hill and David Crawshaw will be the Joint Liquidators of both companies. All matters in relation to GB have been concluded and this company will now be dissolved.

This is the final report in the administrations and provides an update for the period 7 January 2010 to 10 June 2010 as well as summarising the outcome of the administrations.

A receipts and payments summary showing the position for each Company as at 10 June 2010, together with details of the transactions in the period from 7 January 2010 to 10 June 2010, is attached as Appendix 2. The figures are shown net of VAT. Other statutory information required by Rule 2.47 of the Rules is attached as Appendix 1.

A copy of this report has been forwarded to Companies House.

In accordance with Paragraph 100(2) of Schedule B1 of the Act the functions of the Joint Administrators are to be exercised by either or both of them.

1.1 Joint Administrators' proposals

A copy of the Administrators' proposals was sent to all creditors on 20 August 2009. As previously advised, these were approved, with a modification, at meetings of creditors on 8 September 2009. A copy of the proposals for each Company is attached as Appendix 4.

1.2 Purpose of the administrations

The purpose of each administration was to achieve a better result for the respective company's creditors as a whole than would be likely if the Companies were wound up. This was achieved by selling the business and certain assets as a going concern.



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

*KPMG LLP
10 June 2010*

1.3 Other Matters

EC Regulations will apply and these proceedings will be the main proceedings as defined in Article 3 of the EC Regulations. The centre of main interest of each of the Companies is in England within the EC.

2 Progress of the administrations

2.1 Assets

2.1.1 Sale of the business

As previously reported, the viable elements of the business and associated assets of the Group were sold as a going concern on 29 July 2009. Of the £1,500,000 total consideration, £1,000,000 was received on completion. The remaining £500,000 was deferred and payable in six monthly instalments. This has now been received.

2.1.1.1 Apportionment of the sale assets

The £1,500,000 total consideration has been apportioned as follows:

	CR UK £	CRF £	GB £
Goodwill	1,200,992		
Equipment	67,000		47,000
Stocks	10,000		
The Contracts, Franchise Agreements, and Concession Agreements		1	
Business Information	1		
Intellectual Property Rights	1		
Acquired Book Debts		175,000	
The Leases	2		3
Total	£1,277,996	£175,001	£47,003



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

*KPMG LLP
10 June 2010*

2.1.1.2 Goodwill

The major element of goodwill is the brand name of Coffee Republic. As this is owned by CRUK, all of the goodwill value has been allocated to CRUK. Contracts, agreements and other assets are considered to form part of the goodwill.

2.1.1.3 Leases

As previously reported, at appointment the Companies had leasehold interests in 21 coffee bars as well as the head office, 15 of the coffee bars were held in the name of CRUK, two in the name of Plc and the remaining four in the name of GB.

Two of the CRUK leases and three of the GB leases were included in the sale, as well as the head office lease. Colliers CRE, a firm of agents and valuers instructed by the Joint Administrators, advised no premium is attributable to these leases so a nominal £1 has been allocated to each lease.

The remaining 15 bars have been closed and the landlords have been offered surrenders of the leases. The majority of leases have now been dealt with via surrender or assignment. One lease has expired. The remaining property leases will be disclaimed in the respective liquidations.

2.1.2 Joint Administrators' trading

As previously advised, the Joint Administrators traded 13 viable company operated coffee bars, in order to maximise realisations via a sale of the business and assets, until the sale of business and assets agreement was completed.

During the administration trading period, sales in the company operated bars totalled some £223,000. These sales generated a profit of £19,195 and £14,376 in GB and CRF respectively, and a loss in the period of some £120,926 in CRUK, resulting in an overall trading loss of some £87,355.

2.1.3 Debtors

At the date of the administration, the Companies' records showed debtors with a book value of £1,006,064, mainly due from franchisees. Based on the age of the amounts due and known problems, our initial estimate was that expected realisations would be some 50% of book value.

Realisations to date total £185,703, of which £175,000 represents funds received for certain pre appointment book debts from the purchaser at 50% of book value. The remaining ledger is proving difficult to realise and includes £179,000 of bad debt resulting from terminated franchises, £86,000 relating to international franchisees and £114,000 of disputed debts. Solicitors, appointed by the Joint Administrators, continue to pursue 3 debtors, and we are in discussions with the purchaser of the business and assets in relation to them acquiring the rights to certain debtors that we have been unable to realise.

Whilst our work and that of our solicitors will continue in the liquidations, further realisations from debtors are expected to be minimal.

2.1.4 Cash at Bank

At the date of our appointment, CRUK had cash at bank of £70,539. We have subsequently realised £87,937 released by the Company's pre-appointment bankers once there was no risk of any direct debits being recalled under the Bank's direct debit indemnity scheme.

A separate bank account was opened by the directors in the name of PLC shortly prior to the administration. The directors have stated that the intention was to create a trust account for advance deposits received from potential franchisees who then decided not to proceed. An amount of £50,000 was transferred from CRUK on 30 June 2009. Legal advice has been obtained regarding the status of these funds.

2.1.5 Other realisations

Details of other assets realised during the administrations of the Companies are provided on the attached receipts and payments accounts included as Appendix 2.

2.1.6 Investigations

The Administrators have a duty to investigate the conduct of directors and, if appropriate, to submit a report to the Department for Business, Innovation and Skills, (formerly the Department for Business Enterprise and Regulatory Reform) on the conduct of those directors or shadow directors who were in office in the three years prior to the administrations.

The Joint Administrators have complied with their obligations as set out above. The contents of these reports are confidential.

3 Creditors

3.1 Secured creditors

The Administrators are not aware of any debts owed by the Companies to secured creditors. This means that the prescribed part provisions set out in S176A of the Act are not relevant.

3.2 Preferential creditors

Claims in respect of certain arrears of wages and holiday pay rank preferentially. Preferential claims of £20,856 have been received to date for CRUK. These claims will be paid in full. There were no employees in CRF or GB.



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

*KPMG LLP
10 June 2010*

3.3 Unsecured creditors

The Directors estimate that the Companies have the following unsecured liabilities

	CRUK	CRF	GB
	£'000	£'000	£'000
Trade creditors (suppliers)	2,438	0	169
HM Revenue & Customs	546	0	0
Associated Company Loans	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>£2,984</u>	<u>£0</u>	<u>£169</u>

Source Directors' statement of affairs

These figures do not take account of inter-company debts owed by the Companies. According to the latest audited financial statements, PLC is a substantial creditor of CRUK and CRUK is a creditor of CRF. Subject to any creditors of CRF submitting a claim, any surplus in CRF will be paid to CRUK, which appears to be its only creditor.

There are no funds available to creditors of GB.

The Joint Administrators anticipate there will be funds available for unsecured creditors of CRUK in the subsequent liquidation, which will include a substantial claim from PLC. The latest audited accounts for PLC as at 30 March 2008 showed an amount of £30.9 million owed by CRUK to PLC. The quantum of any dividend is unknown at this stage.

4 Administrators' remuneration

The statutory provisions relating to remuneration are set out in Rule 2.106 of the Insolvency Rules 1986. Further information is given in the Association of Business Recovery Professionals' publication *A Creditors' Guide to Administrators' Fees*, a copy of which can be obtained by logging onto the R3 website at [http://www.r3.org.uk/uploads/sip/SIP9_v5_April_2007\(1\).pdf](http://www.r3.org.uk/uploads/sip/SIP9_v5_April_2007(1).pdf). However, if you are unable to access this guide and would like a copy please contact James Rivers on 0207 311 8091.

At the creditors' meeting on 8 September 2009, the creditors approved the proposals that the Joint Administrators of CRUK, CRF and GB "be authorised to draw fees on account from the assets of the Company from time to time during the period of the administration based on time properly spent at KPMG LLP charge out rates that reflect the complexity of the assignment. Also, that the Joint Administrators be authorised to draw disbursements from time to time to include category two disbursements" and "that the costs of KPMG LLP in respect of forensic, tax, VAT and pension advice provided to the Joint Administrators be based upon time costs and shall be paid out of the assets of the Company".



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

*KPMG LLP
10 June 2010*

The Association of Business Recovery Professional's Statement of Insolvency Practice No 9 ("SIP 9") requires the Joint Administrators to provide a detailed analysis of time spent, and charge out rates, for each grade of staff for the various areas of work carried out. This is attached as Appendix 3 for the period from 7 January 2010 to 28 May 2010.

In the period from 7 January 2010 to 28 May 2010, we have incurred time costs of £69,081.50, £21,723.25 and £19,511.75 representing 261 hours, 85 hours and 79 hours at an average hourly rate of £264.58, £255.72 and £247.14 for CRUK, CRF and GB respectively. This includes work undertaken in respect of tax, VAT, employee, pensions and health and safety advice from KPMG's in-house specialists.

Remuneration totalling £553,961.10, £132,777.50 and £53,999.56, covering the period up to 28 May 2010, has been drawn in the administrations of CRUK, CRF and GB respectively.

No further fees will be drawn in GB.

The Joint Administrators intend to draw final fees, to be paid in the liquidations of CRUK and CRF, in relation to ongoing time costs incurred in the administrations from 29 May 2010 until the commencement of the liquidations. We estimate that these further fees will not exceed £4,000 and £3,000 plus VAT for CRUK and CRF respectively. We will provide analysis of our time costs for the remaining period for both Companies when we first report to creditors in the CVL.

5 Exit from administration

5.1 Dissolution of GB

Since there are no funds available to the unsecured creditors and our duties as Administrators are now complete in respect of GB, the Company will be dissolved three months from the filing of this final report and registration of Form 2.35B with the Registrar of Companies. A copy of form 2.35B is attached.

5.2 Move from administration to Creditors' Voluntary Liquidation for CRUK and CRF

As there will be funds available in the future to make a distribution to creditors, the Joint Administrators are in the process of placing CRUK and CRF into CVL under Paragraph 83 of Schedule B1 of the Act.

The following matters in the administrations of CRF and CRUK remain outstanding and will therefore be completed by the Joint Liquidators:

- Dealing with the £50,000 cash at Bank (see section 2.1.4),
- concluding book debt realisations,



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

*KPMG LLP
10 June 2010*

- corresponding with landlords and disclaiming the remaining leases,
- agreeing and paying the preferential creditors of CRUK in full,
- agreeing and paying a distribution to the unsecured creditors of CRUK and CRF,
- complying with ongoing tax and VAT obligations,
- dealing with statutory reporting and compliance obligations, and
- payment of any outstanding expenses of the administrations, including Administrators' fees (see section 4) and legal fees

To effect the move from administration to CVL, for each company Form 2 34B, being notice of move from administration to CVL, has been sent to Companies House together with a copy of this report. A copy of Form 2 34B for CRUK and CRF is attached.

The liquidations will commence on the dates that Companies House process the above notices. We will send a letter to all known creditors confirming our appointment as Joint Liquidators in due course.

Richard Hill
Joint Administrator



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

*KPMG LLP
10 June 2010*

Appendix 1a

Statutory information – Coffee Republic (UK) Limited

Company name	Coffee Republic (UK) Limited		
Administration Order	The Administration Order was granted in the Companies Court, Chancery Division, High Court of Justice Ref High Court No 1745 of 2009		
Date of appointment	7 July 2009		
Administrators details	Richard John Hill and David John Crawshaw are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales		
Company Directors		From	To
	Peter John Freeman Breach	20 October 2006	Present
	Steven George Bartlett	20 October 2006	Present
	James Cameron Muirhead	20 September 2007	Present
Company Secretary	Jeremy Philip Gorman		
Date of incorporation	20 March 1995		
Company registration number	03035251		
Previous registered office	109-123 Clifton Street, London EC2A 4LD		
Present registered office	c/o KPMG LLP, 8 Salisbury Square, London EC4Y 8BB		
Trading addresses	109-123 Clifton Street, London EC2A 4LD		
Employees	168		

Details of the Company's share capital and holdings

Authorised share capital	£400,000 (preference £1 shares) £138 (ordinary £1 shares)	
Issued share capital	400,000 Preference shares of £1 138 Ordinary shares of £1	
Shareholders	Coffee Republic Plc	400,138



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

*KPMG LLP
10 June 2010*

Appendix 1b

Statutory information – Coffee Republic Franchising Limited

Company name	Coffee Republic Franchising Limited		
Administration Order	The Administration Order was granted in the Companies Court, Chancery Division, High Court of Justice Ref High Court No 1770 of 2009		
Date of appointment	7 July 2009		
Administrators details	Richard John Hill and David John Crawshaw are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales		
Company Directors		From	To
	Peter John Freeman Breach	20 October 2006	Present
	Steven George Bartlett	20 October 2006	Present
	James Cameron Muirhead	20 September 2007	Present
Company Secretary	Jeremy Philip Gorman		
Date of incorporation	23 May 2005		
Company registration number	05460420		
Previous registered office	109-123 Clifton Street, London EC2A 4LD		
Present registered office	c/o KPMG LLP, 8 Salisbury Square, London EC4Y 8BB		
Trading addresses	109-123 Clifton Street, London EC2A 4LD		
Employees	None		

Details of the Company's share capital and holdings

Authorised share capital	£1 (ordinary £1 shares)	
Issued share capital	1 Ordinary shares of £1	
Shareholders	Coffee Republic Plc	1



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

*KPMG LLP
10 June 2010*

Appendix 1c

Statutory information – Goodbean Limited

Company name	Goodbean Limited		
Administration Order	The Administration Order was granted in the Companies Court, Chancery Division, High Court of Justice Ref High Court No 1746 of 2009		
Date of appointment	7 July 2009		
Administrators details	Richard John Hill and David John Crawshaw are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales		
Company Directors		From	To
	Peter John Freeman Breach	20 October 2006	Present
	Steven George Bartlett	20 October 2006	Present
	James Cameron Muirhead	20 September 2007	Present
Company Secretary	Jeremy Philip Gorman		
Date of incorporation	1 November 1993		
Company registration number	02867645		
Previous registered office	109-123 Clifton Street, London EC2A 4LD		
Present registered office	c/o KPMG LLP, 8 Salisbury Square, London EC4Y 8BB		
Trading addresses	109-123 Clifton Street, London EC2A 4LD		
Employees	None		

Details of the Company's share capital and holdings

Authorised share capital	£3,639,002 (ordinary £1 shares)	
Issued share capital	3,639,002 Ordinary shares of £1	
Shareholders	Coffee Republic Plc	3,639,002



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

*KPMG LLP
10 June 2010*

Appendix 2

Joint Administrators' receipts and payments account

Appendix 2a
Coffee Republic (UK) Limited (In Administration)

Administrators' Abstract of Receipts & Payments to 10 June 2010

Statement of Affairs (£)	From 07/01/2010 To 10/06/2010 £	From 07/7/2009 to 10/06/2010 £
POST APPOINTMENT SALES		
Sales	0 00	125,051 13
	0 00	125 051 13
PURCHASES		
Purchases	0 00	33 727 15
Promotions	0 00	5,672 51
	0 00	(39 399 66)
OTHER DIRECT COSTS		
Direct labour	23 282 48	101 311 22
Direct expenses	0 00	2,411 51
	(23 282 48)	(103 722 73)
TRADING EXPENSES		
Rent	3 353 42	85,965 00
Rates	0 00	2 074 38
Heat & light	1 745 20	3 372 16
Telephone/Telex/Fax	0 00	702 29
Bank charges & interest	0 00	3 285 31
HP/Lending payments	0 00	280 30
Hire of equipment	0 00	4 714 29
Repairs and maintenance	122 04	610 04
Sundry expenses	0 00	675 78
Ransom payments	0 00	1,175 39
	(5 220 66)	(102 854 94)
TRADING SURPLUS/(DEFICIT)	(28,503 14)	(120,926 20)
ASSET REALISATIONS		
Leasehold property	0 00	2 00
Leasehold property costs reimbursement	0 00	750 00
Furniture & equipment	93 450 00	67 000 00
Stock	7 283 00	10 000 00
Book debts	138 579 00	2 353 27
Business information	0 00	1 00
Intellectual Property Rights	0 00	1 00
Goodwill	84 000 00	1 200 992 00
Cash at bank	87 937 26	158 476 96
Rent	1 106 00	145 373 32
Costs overpayment	156 66	156 66
Contribution to costs	0 00	750 00
	239 312 00	1 585 856 21
OTHER REALISATIONS		
Bank interest gross	1 370 54	1 924 66
Deposit account	33 117 19	33 117 19
Sundry refunds	38 034 00	11 752 33
Trading Surplus/(Deficit)	(28 503 14)	(120 926 20)
Business rates refund	12,525 73	12,525 73
	18 510 32	(61 606 29)
COST OF REALISATIONS		
Legal Expenses	0 00	886 00
Administrators fees	553 961 10	553 961 10
Administrators expenses	838 73	850 58
Irrecoverable VAT	0 00	12 153 46
Intercompany loan	805 00	39 705 22
Agents/Valuers fees	0 00	2 075 00
Agents/Valuers fees property	1 852 00	3 752 00
Legal fees	24 866 37	77 636 90
Environment Agency fees	0 00	60 00
Leasehold Costs	0 00	750 00
Storage costs	2 139 72	2 743 47
Statutory advertising	0 00	315 72
Rates	917 09	907 23
Other property expenses	0 00	18 697 50
Bank charges	31 12	990 68
Room Booking	0 00	55 00
	(585 411 13)	(715 539 86)
	277,346 00	808,710 06
REPRESENTED BY		
Floating ch VAT receivable		107 340 39
Floating charge current		757 614 16
Floating ch VAT payable		(38 877 45)
Floating charge VAT control		(17 367 04)
Funds to be transferred to liquidation		808,710 06
Estimated administration costs to be paid in the liquidation		
Administrators maximum final fees (as set out in section 4 of the Report)		(4 000 00)
Insurance premium for the administration period		(3 928 44)
Legal fees for work undertaken during the administration (estimated)		(1 500 00)
Estimated funds available in the liquidation after deduction of administration liabilities		799,281 62

Appendix 2b**Coffee Republic Franchising Limited (In Administration)****Administrators' Abstract of Receipts & Payment to 10 June 2010**

Statement of Affairs (£)	From 07/01/2010 To 10/06/2010 £	From 07/07/2009 To 10/06/2010 £
POST-APPOINTMENT SALES		
Sales	9,827 57	14,904 98
	<u>9 827 57</u>	<u>14,904 98</u>
TRADING EXPENSES		
Telephone/Tele/Fax	0 00	528 75
	<u>0 00</u>	<u>(528 75)</u>
TRADING SURPLUS/(DEFICIT)	<u><u>9,827 57</u></u>	<u><u>14,376 23</u></u>
ASSET REALISATIONS		
Book debts	1,795 98	183,350 05
Contacts & Agreements	0 00	1 00
Rent (received in error for CRUK)	0 00	1,106 00
	<u>1,795 98</u>	<u>184,457 05</u>
OTHER REALISATIONS		
Bank interest gross	193 00	258 49
Sundry refunds	0 00	11 50
Trading Surplus/(Deficit)	9,827 57	14,376 23
	<u>10,020 57</u>	<u>14,646 22</u>
COST OF REALISATIONS		
Payment of rent received in error to CRUK	1,106 00	1,106 00
Administrators' fees	132,777 50	132,777 50
Administrators' expenses	418 73	418 73
Legal fees	10,376 33	25,822 66
Statutory advertising	0 00	315 72
Bank charges	1 44	17 08
Room Booking	0 00	55 00
	<u>(144,680 00)</u>	<u>(160,512 69)</u>
	<u><u>(132,863 45)</u></u>	<u><u>38,590 58</u></u>
REPRESENTED BY		
Floating ch VAT rec'able		25,609 72
Floating charge current		15,252 18
Floating ch VAT payable		(2,271 32)
Funds to be transferred to the liquidation		<u><u>38,590 58</u></u>
Estimated administration costs to be paid in the liquidation		
Administrators' maximum final fees (as set out in section 4 of the Report)		(3,000 00)
Estimated funds available in the liquidation, after deduction of administration liabilities		<u><u>35,590 58</u></u>

Notes

The Director's Statement of Affairs showed no assets with a realisable value

Appendix 2c
Goodbean Limited (in administration)

Administrators' receipts and payments account to 10 June 2010

	Statement of Affairs £	From 07/01/2010 To 10/06/2010 £	From 07/07/2009 To 10/06/2010 £
POST-APPOINTMENT SALES			
Sales		<u>0 00</u>	<u>82,893 27</u>
		0 00	82,893 27
PURCHASES			
Purchases		0 00	24,436 14
Promotions		<u>0 00</u>	<u>1,836 16</u>
		0 00	(26,272 30)
OTHER DIRECT COSTS			
Direct labour		<u>12,530 84</u>	<u>34,244 38</u>
		(12,530 84)	(34,244 38)
TRADING EXPENSES			
Heat & Light		1,492 33	1,492 33
Telephone/Telex/Fax		0 00	86 70
Repairs and maintenance		162 93	636 12
Sundry expenses		<u>0 00</u>	<u>966 28</u>
		(1,655 26)	(3,181 43)
TRADING SURPLUS/(DEFICIT)		<u>(14,186.10)</u>	<u>19,195 16</u>
ASSET REALISATIONS			
Leasehold property	12,000 00	0 00	3 00
Contribution to costs		0 00	750 00
Rent		0 00	5,139 08
Furniture & equipment		0 00	47,000 00
Cash at bank		0 00	223 94
Rates Refund		0 00	1,239 16
Tax refunds (pre-app'ent)		<u>0 00</u>	<u>600 00</u>
		0 00	54,955 18
OTHER REALISATIONS			
Bank interest, gross		70 91	124 92
Trading Surplus/(Deficit)		<u>14,186 10</u>	<u>19,195 16</u>
		(14,257 01)	19,320 08
COST OF REALISATIONS			
Administrators' fees		53,999 56	53,999 56
Administrators' expenses		11 35	11 35
Agents'/Valuers' fees property		0 00	400 00
Legal fees		2,338 00	14,077 69
Insurance		742 91	742 91
Statutory advertising		0 00	315 72
Rent		749 86	749 86
Other property expenses		823 17	3,410 67
Bank charges		1 98	512 50
Room Booking		<u>0 00</u>	<u>55 00</u>
		(58,666 83)	(74,275 26)
Funds in hand	<u>12,000 00</u>	<u>(72,923 84)</u>	<u>0.00</u>



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

*KPMG LLP
10 June 2010*

Appendix 3

Analysis of the Joint Administrators' time costs for period 7 January 2010 to 28 May 2010

Appendix 3a

Coffee Republic UK Ltd - in administration

SIP9 analysis of Administrators' time costs for the period 7 January 2010 to 28 May 2010

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost £	Average hourly rate £
Administration & planning							
Cashiering							
General (Cashiering)		11 90	8 40		20 30	5 548 00	273 30
Reconciliations (& IPS accounting reviews)		1 50	1 10		2 60	812 50	312 50
General							
Books and records			1 00		1 00	225 00	225 00
Fees and WIP		0 50	1 60	0 30	2 40	552 00	230 00
Statutory and compliance							
Bonding and bordereau		0 20	0 30	0 70	1 20	205 00	170 83
Checklist & reviews		8 60	14 60		23 20	6,684 00	288 10
Closure and related formalities		1 50	1 00		2 50	832 50	333 00
Statutory receipts and payments accounts		1 00		0 40	1 40	447 00	319 29
Strategy documents	0 70	3 10	0 50	1 00	5 30	1,833 50	345 94
Tax							
Initial reviews - CT and VAT			18 70		18 70	3 085 50	165 00
Post appointment corporation tax		0 30	11 30		11 60	2 274 00	196 03
Post appointment PAYE		2 30			2 30	736 00	320 00
Post appointment VAT	0 20	4 20	8 80	0 30	13 50	3 487 50	258 33
Creditors							
Creditors and claims							
Agreement of preferential claims		0 80	7 20		8 00	1,876 00	234 50
General correspondence		4 60	12 55		17 15	4,629 75	269 96
Legal claims				0 70	0 70	73 50	105 00
Notification of appointment			0 80		0 80	180 00	225 00
Pre-appointment VAT / PAYE / CT		1 50			1 50	480 00	320 00
Statutory reports	1 20	8 30	20 55	1 00	31 05	8,271 25	266 38
Employees							
Agreeing employee claims			0 30		0 30	67 50	225 00
Correspondence		3 90	0 70		4 60	1,363 50	296 41
DTI redundancy payments service		0 30			0 30	96 00	320 00
Investigation							
Directors							
Correspondence with directors			1 00	2 00	3 00	435 00	145 00
D form drafting and submission	4 00	2 80	13 20		20 00	6,014 00	300 70
Directors questionnaire / checklist	1 00	0 50	0 30		1 80	785 00	436 11
Realisation of assets							
Asset Realisation							
Cash and investments		1 80			1 80	729 00	405 00
Debtors		1 10			1 10	445 50	405 00
Goodwill	2 80				2 80	1 442 00	515 00
Health & safety			0 10		0 10	22 50	225 00
Leasehold property		7 50	47 10		54 60	13,545 00	248 08
Open cover insurance		0 20	0 40		0 60	171 00	285 00
Other assets			1 00		1 00	225 00	225 00
Plant and machinery		0 50			0 50	202 50	405 00
Sale of business		2 00			2 00	810 00	405 00
Trading							
Purchases and trading costs		1 00	0 40		1 40	495 00	353 57
Total in period	9 90	71 90	172 90	6 40	261 10	69,081 50	264 58

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 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 chargeout rates

Appendix 3b

Coffee Republic Franchising Ltd - in administration

SIP9 analysis of Administrators' time costs for the period 7 January 2010 to 28 May 2010

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost £	Average hourly rate £
Administration & planning							
Cashiering							
General (Cashiering)			0 70		0 70	139 50	199 29
Reconciliations (& IPS accounting reviews)			0 60		0 60	135 00	225 00
General							
Fees and WIP		1 00	1 75	0 50	3 25	800 25	246 23
Statutory and compliance							
Bonding and bordereau		0 20	0 30	0 50	1 00	184 00	184 00
Checklist & reviews		4 00	10 70		14 70	3,943 50	268 27
Closure and related formalities		1 50	1 00		2 50	832 50	333 00
Statutory receipts and payments accounts		0 30		0 40	0 70	163 50	233 57
Strategy documents	0 20	1 00	0 50		1 70	620 50	365 00
Tax							
Post appointment corporation tax			9 65		9 65	1,796 25	186 14
Post appointment VAT		1 30	3 10		4 40	1,070 50	243 30
Creditors							
Creditors and claims							
General correspondence			1 20		1 20	270 00	225 00
Statutory reports	0 50	4 30	20 05		24 85	6,243 24	251 23
Investigation							
Directors							
D form drafting and submission		2 50	9 80		12 30	3,067 50	249 39
Directors' questionnaire / checklist			0 30		0 30	67 50	225 00
Realisation of assets							
Asset Realisation							
Debtors	2 00		1 30		3 30	1,322 50	400 76
Goodwill	1 00				1 00	515 00	515 00
Health & safety			0 10		0 10	22 50	225 00
Leasehold property			0 10		0 10	22 50	225 00
Open cover insurance		0 20	0 40		0 60	171 00	285 00
Rent			0 10		0 10	22 50	225 00
Stock and WIP			1 90		1 90	313 50	165 00
Total in period	3 70	16 30	63 55	1 40	84 95	21,723 25	255 72

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 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 chargeout rates

Appendix 3c

Goodbean Ltd - in administration

SIP9 analysis of Administrators' time costs for the period 7 January 2010 to 28 May 2010

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost £	Average hourly rate £
Administration & planning							
Cashiering							
General (Cashiering)			0 70		0 70	139 50	199 29
Reconciliations (& IPS accounting reviews)			1 00		1 00	225 00	225 00
General							
Fees and WIP			1 60	0 50	2 10	370 50	176 43
Statutory and compliance							
Appointment and related formalities			0 50		0 50	112 50	225 00
Bonding and bordereau		0 20	0 20	0 60	1 00	172 00	172 00
Checklist & reviews		3 20	9 30		12 50	3,304 50	264 36
Closure and related formalities	0 20	1 80	1 30		3 30	1,124 50	340 76
Statutory receipts and payments accounts		0 30		0 40	0 70	163 50	233 57
Strategy documents	0 20	1 00	0 50		1 70	620 50	365 00
Tax							
Post appointment corporation tax			10 00		10 00	1,920 00	192 00
Post appointment VAT		1 00	4 50		5 50	1,306 50	237 55
Creditors							
Creditors and claims							
General correspondence			0 70		0 70	157 50	225 00
Statutory reports	0 40	4 10	20 05		24 55	6,120 45	249 31
Investigation							
Directors							
D form drafting and submission		2 50	9 90		12 40	3,090 00	249 19
Directors' questionnaire / checklist			0 30		0 30	67 50	225 00
Realisation of assets							
Asset Realisation							
Health & safety			0 10		0 10	22 50	225 00
Leaschold property	0 30	0 50	0 30		1 10	424 50	385 91
Open cover insurance			0 40		0 40	90 00	225 00
Trading							
Purchases and trading costs			0 40		0 40	90 00	225 00
Total in period	1 10	14 60	61 75	1 50	78 95	19,511 75	247 14

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 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 chargeout rates



*Coffee Republic Franchising Limited
Coffee Republic (UK) Limited
Goodbean Limited
(all in administration)*

*KPMG LLP
10 June 2010*

Summary of charge out rates in operation during the course of the Administrations:

	7 July 2009 to 10 June 2010 £
RESTRUCTURING	
Partner	515
Director	440
Senior Manager	405
Manager	320
Senior Administrator/ Assistant Manager	225
Administrator	165
Support staff	105
TAX	
Partner	515
Senior Manager	405
Administrator	165

Appendix 4a

Administrators' proposals approved with modifications on 8 September 2009 – Coffee Republic (UK) Limited

- To continue to do all such things reasonably expedient and generally exercise all their powers as Joint Administrators as they, in their discretion, consider desirable in order to maximise realisations from the assets of the Company in accordance with the objective as set out above
- To investigate and, if appropriate, pursue any claims the Company may have
- To seek an extension to the administration period if deemed necessary
- When deemed appropriate, and in order to make available a distribution to unsecured creditors to move the Company from administration to creditors' voluntary liquidation and appoint Richard Hill and David Crawshaw as Liquidators of the Company without any further recourse to creditors. In accordance with paragraph 83(7) and Rule 2.117(3), creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved. Any act required or authorised under any enactment to be done by the liquidators may be done by either one of them
- In the event the Joint Administrators deem that liquidation is not appropriate because there are no further distributable assets available to creditors, and there are no other outstanding matters that require to be dealt with in a liquidation, then the Joint Administrators shall file the appropriate notices at Companies House and the Company will subsequently be dissolved
- That the Joint Administrators are discharged from liability in respect of any action of theirs as Joint Administrators pursuant to paragraph 98(1) of Schedule B1 of the Act upon registration of the notice given pursuant to Paragraph 83 or 84 of Schedule B1 of the Act
- The Joint Administrators be authorised to draw fees on account from the assets of the Company from time to time during the period of the administration based on time properly spent at KPMG LLP charge out rates that reflect the complexity of the assignment. Also, that the Joint Administrators be authorised to draw disbursements from time to time to include category two disbursements
- That the costs of KPMG LLP in respect of forensic, tax, VAT and pension advice provided to the Joint Administrators be based upon time costs and shall be paid out of the assets of the Company
- Security if not already obtained, must be obtained in respect of the deferred consideration

Appendix 4b

Administrators' proposals approved with modifications on 8 September 2009 – Coffee Republic Franchising Limited

- To continue to do all such things reasonably expedient and generally exercise all their powers as Joint Administrators as they, in their discretion, consider desirable in order to maximise realisations from the assets of the Company in accordance with the objective as set out above
- To investigate and, if appropriate, pursue any claims the Company may have
- To seek an extension to the administration period if deemed necessary
- In the event that funds become available for a distribution to unsecured creditors to move the Company from administration to creditors' voluntary liquidation and appoint Richard Hill and David Crawshaw as Liquidators of the Company without any further recourse to creditors. In accordance with paragraph 83(7) and Rule 2.117(3), creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved. Any act required or authorised under any enactment to be done by the liquidators may be done by either one of them
- In the event the Joint Administrators deem that liquidation is not appropriate because there are no further distributable assets available to creditors, and there are no other outstanding matters that require to be dealt with in a liquidation, then the Joint Administrators shall file the appropriate notices at Companies House and the Company will subsequently be dissolved
- That the Joint Administrators are discharged from liability in respect of any action of theirs as Joint Administrators pursuant to paragraph 98(1) of Schedule B1 of the Act upon registration of the notice given pursuant to Paragraph 83 or 84 of Schedule B1 of the Act
- The Joint Administrators be authorised to draw fees on account from the assets of the Company from time to time during the period of the administration based on time properly spent at KPMG LLP charge out rates that reflect the complexity of the assignment. Also, that the Joint Administrators be authorised to draw disbursements from time to time to include category two disbursements
- That the costs of KPMG LLP in respect of forensic, tax, VAT and pension advice provided to the Joint Administrators be based upon time costs and shall be paid out of the assets of the Company
- Security if not already obtained, must be obtained in respect of the deferred consideration

Appendix 4c

Administrators' proposals approved with modifications on 8 September 2009 – Goodbean Limited

- To continue to do all such things reasonably expedient and generally exercise all their powers as Joint Administrators as they, in their discretion, consider desirable in order to maximise realisations from the assets of the Company in accordance with the objective as set out above
- To investigate and, if appropriate, pursue any claims the Company may have
- To seek an extension to the administration period if deemed necessary
- In the event that funds become available for a distribution to unsecured creditors to move the Company from administration to creditors' voluntary liquidation and appoint Richard Hill and David Crawshaw as Liquidators of the Company without any further recourse to creditors. In accordance with paragraph 83(7) and Rule 2.117(3), creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved. Any act required or authorised under any enactment to be done by the liquidators may be done by either one of them
- In the event the Joint Administrators deem that liquidation is not appropriate because there are no further distributable assets available to creditors, and there are no other outstanding matters that require to be dealt with in a liquidation, then the Joint Administrators shall file the appropriate notices at Companies House and the Company will subsequently be dissolved
- That the Joint Administrators are discharged from liability in respect of any action of theirs as Joint Administrators pursuant to paragraph 98(1) of Schedule B1 of the Act upon registration of the notice given pursuant to Paragraph 83 or 84 of Schedule B1 of the Act
- The Joint Administrators be authorised to draw fees on account from the assets of the Company from time to time during the period of the administration based on time properly spent at KPMG LLP charge out rates that reflect the complexity of the assignment. Also, that the Joint Administrators be authorised to draw disbursements from time to time to include category two disbursements
- That the costs of KPMG LLP in respect of forensic, tax, VAT and pension advice provided to the Joint Administrators be based upon time costs and shall be paid out of the assets of the Company
- Security if not already obtained, must be obtained in respect of the deferred consideration