

Rule 1.24/1.54

The Insolvency Act 1986

Notice to Registrar of Companies
of Voluntary Arrangement
Taking Effect

Pursuant to Section 4 of, or paragraph
30 of Schedule A1 to,
the Insolvency Act 1986

S.4/ Para 30 Sch A1

For Official Use

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Company Number

03388888

To the Registrar of Companies

Name of Company

Insert full name of
Company

Springhead Fine Ales Limited

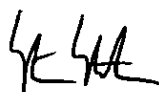
Insert full name and
Address

I Steven Martin Stokes
FRP Advisory LLP
2nd Floor
170 Edmund Street
Birmingham
B3 2HB

Insert date

the chairman of meetings held in pursuance of Section 3 of the Insolvency Act 1986 on 5
February 2016, enclose a copy of my report of the said meetings

Signed



Date

5/2/16

Presenter's name,
address and reference
(if any)

S1781BIR
Springhead Fine Ales Limited

Steven Martin Stokes
FRP Advisory LLP
2nd Floor
170 Edmund Street
Birmingham
B3 2HB

For Official Use

Liquidation Section

Post Room

WEDNESDAY



A13

13/04/2016
COMPANIES HOUSE

#430

SPRINGHEAD FINE ALES LIMITED
("THE COMPANY")

COMPANY VOLUNTARY ARRANGEMENT

**CHAIRMAN'S REPORT ON CREDITORS' AND MEMBERS' MEETINGS UNDER RULE 1.24 OF THE
INSOLVENCY RULES 1986**

- 1 Meetings of creditors and members of the above Company were held at 10:30am and 11:30am on 5 February 2016 under Section 3 of the Insolvency Act 1986 to consider the directors' proposal for a Company Voluntary Arrangement under Part 1 of the Insolvency Act 1986 between the Company and its creditors. Steven Martin Stokes and Rajnesh Mittal of FRP Advisory LLP had previously been appointed Nominees on 21 January 2016.

- 2 At the creditors' meeting, the proposal was considered with the attached modifications. The following creditors voted in favour of the modified proposal -

Anglian Water	£4,260 71
Charles Faram & Co Ltd	£3,900.00
HM Revenue and Customs	£406,233 00
SES Engineering	£1,351.46

The following creditors voted to reject the modified proposal:-

Ballards Removals Ltd	£12,929 29
Eon UK	£23,068 38

- 3 92% of the creditors voting therefore voted in favour of the modified proposal. The modified proposal was therefore approved by the creditors.

- 4 At the members' meeting, the proposal was considered with the attached modifications.

The following members voted in favour of the modified proposal:-

Helen Teasdale M Teasdale/Richard H Scragg	950,000 shares
Springhead Real Ale Holdings	24,686 shares

- 5 100% of the members voting therefore voted in favour of the modified proposal. The modified proposal was therefore approved by the members.

- 6 As a result of the proposals being approved Steven Martin Stokes and Rajnesh Mittal of FRP Advisory LLP, who had previously been appointed nominees on 21 January 2016 became Supervisors of the Company Voluntary Arrangement.

7. Under Section 5(2) of the Insolvency Act 1986 the approved Company Voluntary Arrangement is binding on all creditors of the Company regardless of whether they were present or represented at the creditors' meeting. Notice of the creditors' meeting was sent to all creditors of whom the directors were aware. In the event that creditors did not receive notice of the creditors' meeting, however, they will still be bound by the terms of the Company Voluntary Arrangement.

- 8 In the opinion of the Supervisor the EC Regulation applies to the Company Voluntary Arrangement. The proceedings are main.

Signed



Chairman

Name

Steven Stokes

Date

5 February 2016

Modifications proposed by Voluntary Arrangement Service (VAS) on behalf of
H M Revenue & Customs in respect of -

Springhead Fine Ales Ltd

If any of the modifications are not accepted then the VAS vote(s) must be taken as a rejection

EFFECT

- 1 **[Interpretation]** Any modification to the entire proposal approved by creditors and accepted by the company shall wholly supersede any contradictory terms or implied provisions in the proposal. Any conflicting modification(s) proposed by creditors shall be fully resolved prior to approval of the proposal in order that the intention of the modification is given priority and effect.
- 2 **[Variation]** No variation shall be proposed following approval of the arrangement that would cause or have the effect of varying or removing modifications imposed by HMRC in support of the proposal without the express agreement of the HMRC Voluntary Arrangements Service.
- 3 **[Variation]** The company shall not, within 12 months of approval of the arrangement, propose a variation that will reduce the yield to creditors below that forecast unless the Supervisor can provide clear evidence that the resolution results from changed trading circumstances that could not have been foreseen when the proposal was made to creditors. The Supervisor's evidence together with supporting financial information and notice of a creditors' vote shall be circulated to creditors giving at least 14 days clear notice. No variation fee shall be drawn without creditors' approval.

HMRC CLAIM(S)

- 4 **[HMRC claim]** The HMRC claim in the arrangement will include PAYE/NIC together with assessed tax, levy or duty (VAT) due to the date before the meeting to approve the arrangement and CTSA / assessed tax for the accounting period(s) ended on or before the date of approval of the arrangement.
- 5 **[Time limit]** No time limit for lodging claims shall apply to HMRC.
- 6 **[Post approval returns and liabilities]** All statutory returns and payments due to HMRC post approval shall be provided on or before their due date.
- 7 **[Outstanding returns]** Should any statutory accounts and returns overdue at the date of the creditors' meeting they shall be provided to HMRC within one calendar month of the approval date together with any other information required in support of the return.
- 8 **[Dividend prohibition]** No non preferential distribution will be made until the HMRC Final Claim has been made and the supervisor has admitted the claim for dividend purposes.

- 9 **[Tax-Overpayments]** Set-off of refunds due from the Crown against debts due to the Crown will be in accordance with statute and established legal principles
Any repayment due to the company for periods for which claims arise under the arrangement, when so ever they may arise, shall firstly be offset against HMRC's claims in the arrangement
Any remaining surplus shall be similarly applied to the claims of other Crown departments and should any surplus remain it shall be repaid to the company
Any repayments due to the company for periods that arise after the arrangement shall be applied to any post approval HMRC liability with any surplus being repaid to the company
- 10 **[Expenses of arrangement]** CTSA/VAT due on realisation of assets included in the arrangement will be regarded as an expense of realising the asset payable out of the net sale proceeds

GENERAL

- 11 **[Co debtors]** The release of the company from its debts by the terms of the CVA shall not operate as a release of any co-debtor for the same debts
- 12 **[Increased claims]** Where the total value of creditors' claims exceeds by 10% or more of the stated value of their affairs supplied by the company for the purposes of this proposal this will constitute a breach of the arrangement. In the event of such a breach the supervisor shall ascertain from creditors what they wish to do in the context of the arrangement overall
- 13 **[Termination]** The arrangement shall terminate upon
- a The making of a winding up order against the company, the passing of a winding up resolution or the company going into administration
 - b (where there is express authority for the supervisor so doing) the supervisor issuing a certificate of termination
- 14 **[Arrangement trusts]** Upon termination of the arrangement the trusts expressed or implied shall cease, save that assets already realised shall (after provision for supervisor's fees and disbursements) be distributed to arrangement creditors
- 15 **[Non-compliance]** Failure to comply with any express term of the arrangement shall constitute a breach of the company's obligation under the arrangement. The supervisor shall work with the company to remedy any breach of obligation. Rule 1.19 shall apply where any variation is proposed
- If any breach of obligation is not remedied within 30 days of its occurrence this shall constitute default of the CVA that cannot be remedied and the supervisor shall petition for a winding-up order
- 16 **[Supervisor]** The discretion given to the supervisor in paragraph 14 shall be removed

CONTRIBUTIONS/REVIEWS

- 17 **[Payments]** The company is to make no fewer than 45 monthly voluntary contributions of not less than £1,000 in the first 45 months of the arrangement followed by no fewer than 15 monthly voluntary contributions of not less than £5,000 in the final 15 months
- 18 **[Lump Sum]** The company is to make a lump sum payment of £20,000 within 3 months of the Voluntary Arrangement being approved
- 19 **[Annual contribution review]** The supervisor is to conduct a full review, at each anniversary of the arrangement, based upon the month end immediately preceding the anniversary of the arrangement of the company's business income and expenditure To enable the supervisor to perform this function management accounts to include Profit and Loss for the preceding 12 months shall be furnished to the supervisor together with the relevant balance sheet and cash flow projection for the following 12 month period within one month of the anniversary The supervisor shall obtain an increase in voluntary contributions of not less than 50% of any rise in net income after provision for tax
- 20 **[Associated creditors]** The associated creditors have offered to defer their claims in the arrangement For the avoidance of doubt their offer is to waive their dividend entitlement in favour of all non-associated creditors under the arrangement Thus the claims of the connected creditors shall be compromised within and shall not survive the arrangement or be paid outside.
- 21 **[Duration]** The duration of the arrangement shall not exceed 62 months without the prior approval of a 75% majority in value of creditors' claims voting on the resolution
- 22 **[Contributions]** Should any voluntary contribution fall 30 days into arrears or fall below the amount specified in the arrangement and remain so after 30 days this shall constitute a failure of the arrangement and the Supervisor shall petition for the compulsory winding up of the company

DIRECTORS AND SHAREHOLDERS

23. The directors of the company shall not:

- a declare or pay any dividend to themselves or the shareholders of the company for the duration of the voluntary arrangement,
- b increase the remuneration of any person involved in the management of the business, whether by way of increase in salary, payment, bonus or benefit,
- c enter into any contract or undertaking for the sale of the business nor dispose of the goodwill or of any assets or goodwill forming part of or essential to its continuing trade,
- d create or extend any mortgage, debenture, charge or security over any part of the company/business except for those that subsist at the date of the proposal This shall not affect any commercial factoring or similar arrangement

COMPLETION

- 24 The arrangement shall not be capable of successful completion until all unsecured, non-preferential creditors claiming in the arrangement have received a minimum dividend of 20 pence in the pound (p/£)

FEES

- 25 **[Winding up fees]** On the day of the creditors meeting which approves the proposal the company shall pay over to the nominees in cleared funds sufficient for winding up proceedings against the company. Should the full amount of cleared funds not be received by the time of the meeting of creditors this shall be deemed non-acceptance of this modification and as such HMRC's vote shall be counted as one for rejection of the proposal.
- 26 The supervisor shall confirm in their report of the meeting of creditors that sufficient funding has been received.
- 27 **[Liquidation costs provision]** The supervisor shall retain sufficient funds for winding up proceedings against the company and such funds will rank ahead of any other expense of the arrangement. For the avoidance of doubt this shall include unpaid nominee's fees and expenses as at the date of the meeting of creditors at which the proposal is approved. Funds set aside under this provision shall not be used to fund a creditors' voluntary liquidation and shall remain an asset of the arrangement. Funds retained by the supervisor to enable winding up proceedings to be taken shall be distributed to creditors upon satisfactory completion of the arrangement subject to a limit of 100 pence in the pound being achieved.

Signed by Jamie Melvin Griffiths, collector for HMRC on 28 January 2016