

LIQ03

Notice of progress report in voluntary winding up



Companies House



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28/02/2018

#203

COMPANIES HOUSE

WEDNESDAY

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 6 4 7 8 7 9 5

Company name in full Lick Limited

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

2 Liquidator's name

Full forename(s) Susan

Surname Maund

3 Liquidator's address

Building name/number 44-46 Old Steine

Street Brighton

Post town BN1 1NH

County/Region

Postcode

Country

4 Liquidator's name ①

Full forename(s) Thomas

Surname D'Arcy

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

5 Liquidator's address ②

Building name/number 44-46 Old Steine

Street Brighton

Post town BN1 1NH

County/Region


Postcode

Country

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

LIQ03

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6	Period of progress report											
From date	^d 2	^d 2	^m 0	^m 2	^y 2	^y 0	^y 1	^y 7				
To date	^d 2	^d 1	^m 0	^m 2	^y 2	^y 0	^y 1	^y 8				
7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												
8	Sign and date											
Liquidator's signature	Signature 											
Signature date	^d 2	^d 1	^m 0	^m 2	^y 2	^y 0	^y 1	^y 8				

Joint Liquidators' Annual Progress Report to Creditors & Members

**Lick Limited
- In Liquidation**

21 February 2018

LICK LIMITED - IN LIQUIDATION

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LICK LIMITED - IN LIQUIDATION

1 Introduction and Statutory Information

- 1.1 I, Susan Maund, together with Thomas D'Arcy, of White Maund, 44-46 Old Steine, Brighton, BN1 1NH, was appointed as Joint Liquidator of Lick Limited ("the Company") on 22 February 2017. This progress report covers the period from 22 February 2017 to 21 February 2018 ("the Period") and should be read in conjunction with any previous progress reports which have been issued.
- 1.2 The principal trading address of the Company was New England House, Unit A Level 2 South, New England Street, Brighton, BN1 4GH.
- 1.3 The registered office of the Company has been changed to White Maund, 44-46 Old Steine, Brighton, BN1 1NH, and its registered number is 06478795.

2 Progress of the Liquidation

- 2.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Joint Liquidators and their staff.
- 2.2 At Appendix A is my receipts and payments account for the Period.

Administration (including statutory compliance & reporting)

- 2.3 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation.
- 2.4 This work includes dealing with the Company's creditors and employees together with administrative tasks associated with the appointment, such as agreeing the strategy for the liquidation, filing notices of appointment, statutory advertising, opening and maintaining the estate cash book and bank accounts and reporting periodically to creditors, HMRC and the Registrar of Companies.
- 2.5 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Joint Liquidators.
- 2.6 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

Plant & Machinery

- 2.7 The book value of the plant and machinery was listed in the directors' statement of affairs as £18,709, with an uncertain estimated to realise value.
- 2.8 I can confirm that I have received a total of £1,000 into the liquidation in this regard with respect of the sale of a frozen yoghurt machine.
- 2.9 The remaining plant and machinery were abandoned by the Joint Liquidators after buyers could not be found

Furniture & Equipment

- 2.10 The furniture and equipment of the Company was listed in the statement of affairs as having an uncertain estimated to realise value.

LICK LIMITED - IN LIQUIDATION

- 2.11 I can confirm that I have not received any funds into the liquidation in this respect and all furniture and equipment was abandoned by the Joint Liquidators as it was deemed to be of a low value. The costs associated with the removal would have outweighed any benefit for creditors.

Stock

- 2.12 The stock had an estimated to realise value of £6,480 as per the directors' statement of affairs.
- 2.13 Unfortunately, the stock was irrecoverable due to the storage arrangements. The costs associated with the removal of the stock would have outweighed any potential benefit and as such the remaining stock was abandoned.
- 2.14 I have not achieved any realisations in this respect.

Book Debts

- 2.15 The Company's outstanding book debts had a book value of £8,130 of which the Joint Liquidators expected to realise £6,504.
- 2.16 The outstanding debts were made up of several small debts which the Joint Liquidators chased on several occasions, however, the debtors were unresponsive. Due to the small amounts involved it was decided that the costs of further action to recover the debts would outweigh any benefits.
- 2.17 I received a total of £2,197 into the liquidation in this respect.

Cash at Bank

- 2.18 The directors' statement of affairs showed a cash at bank figure of £12,321, these funds were being held in separate pound sterling, euro and US dollar accounts.
- 2.19 I can confirm that I received £11,078 into the liquidation in this respect with the slightly lower figure being accounted for by changes in the exchange rate when the funds were transferred into the liquidation account.

Intellectual Property Rights and Patents

- 2.20 I would confirm that SIA Group (UK) Ltd independently valued the Company's intellectual property and sourced a buyer for the same. Several offers were made to purchase the intellectual property rights and I would confirm that the Joint Liquidators accepted the highest offer.
- 2.21 An offer of £20,000 was received in March 2017 and was consequently accepted by the Joint Liquidators. I can confirm that the sale was completed in June 2017 and payment was received in full in July 2017.
- 2.22 In order to achieve the sale the Joint Liquidators were required to gain a release over the intellectual property from the floating charge holder. In order to gain the removal of the floating charge by Lloyds bank the Joint Liquidators made payment in full on their outstanding debt of £5,617.

Rates Refund

- 2.23 I can confirm that I have received a small rates refund into the liquidation in the sum of £197.

LICK LIMITED - IN LIQUIDATION

Bank Interest

- 2.24 I have received a total of £11 into the liquidation with regards to bank interest which has been accounted for gross of tax.
- 2.25 It is considered that the work the Joint Liquidators and their staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3rd party security, result in a distribution to the preferential and unsecured creditors of the Company.

Creditors (claims and distributions)

- 2.26 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. The Joint Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.27 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.28 The above work will not necessarily bring any financial benefit to creditors generally, however, the Joint Liquidators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be incurred by the Joint Liquidators in dealing with those claims.
- 2.29 I consider the following matters worth noting in my report to creditors at this stage:
- There are approximately 18 unsecured creditor claims in this case with a value per the director(s) statement of affairs of £134,569;
 - Dealing with the claims of two employees.

Investigations

- 2.30 Some of the work the Joint Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 ("CDDA 1986") and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Joint Liquidators can pursue for the benefit of creditors.
- 2.31 I can confirm that I have submitted a report on the conduct of the directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 2.32 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account any information provided by creditors. My investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors.

Matters still to be dealt with

- 2.33 I currently have a small balance in hand which will be absorbed by costs incurred in connection with the liquidation.

LICK LIMITED - IN LIQUIDATION

3 Creditors

Secured Creditors

- 3.1 Lloyds Bank held a floating charge over the Company's assets. At the date of the liquidation the indebtedness to the secured creditor was estimated at £5,617. The secured creditor was paid in full in July 2017.

Preferential Creditors

- 3.2 A summary of preferential claims is detailed below.

Preferential claim	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1
Department for Business, Energy & Industrial Strategy (BEIS)	14,175	6,171	-

Unsecured Creditors

- 3.3 I have received claims totalling £134,569 from 18 creditors. I have yet to receive claims from 9 creditors whose debts total £5,534 as per the Company's statement of affairs.
- 3.4 The Company granted a floating charge to Lloyds Bank on 17 October 2013. Accordingly, I am required to create a fund out of the Company's net floating charge property for unsecured creditors (known as the Prescribed Part).
- 3.5 I would confirm that it is anticipated there will be insufficient funds realised after defraying the expenses of the liquidation to pay a dividend to unsecured creditors.

4 Joint Liquidators' Remuneration

- 4.1 The creditors approved that the basis of the Joint Liquidators' remuneration be fixed as a set amount. My fees estimate/information was originally provided to creditors when the basis of my remuneration was approved and was based on information available to me at that time.
- 4.2 The Joint Liquidators have drawn £10,000 against the total set fee agreed of £10,000 approved by creditors.
- 4.3 At the date of this report, I would confirm that my fees estimate for the liquidation remains unchanged.
- 4.4 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <https://www.icaew.com/en/technical/insolvency/understanding-business-restructuring-and-insolvency/creditors-guides>.
- 4.5 Attached at Appendices B and C is additional information in relation to the Joint Liquidators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

5 Creditors' Rights

- 5.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Joint Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.
- 5.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Joint

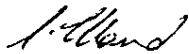
LICK LIMITED - IN LIQUIDATION

Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in this progress report, are excessive.

6 Next Report

- 6.1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final account.
- 6.2 If you have any queries in relation to the contents of this report please contact this office.

Yours faithfully



Susan Maund
Joint Liquidator

Lick Limited
(In Liquidation)

JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 22/02/2017 To 21/02/2018 £	From 22/02/2017 To 21/02/2018 £
RECEIPTS			
Plant & Machinery	Uncertain	1,000.00	1,000.00
Furniture & Equipment	Uncertain	0.00	0.00
Stock	6,480.00	0.00	0.00
Book Debts	6,504.00	2,196.60	2,196.60
Intellectual Property Rights/Patents		20,000.00	20,000.00
Rates Refund		197.29	197.29
Cash at Bank	12,321.00	11,077.74	11,077.74
Bank Interest Gross		10.59	10.59
		<u>34,482.22</u>	<u>34,482.22</u>
PAYMENTS			
Specific Bond		147.00	147.00
Preparation of S. of A.		5,000.00	5,000.00
Office Holders Remuneration		10,000.00	10,000.00
Solicitors Fees		5,400.00	5,400.00
Agents/Valuers Fees (2)		6,763.00	6,763.00
Stationery & Postage		110.50	110.50
Storage Costs		195.00	195.00
Statutory Advertising		219.00	219.00
DE Arrears & Holiday Pay	(1,696.14)	0.00	0.00
Employee Arrears/Hol Pay	(1,814.92)	0.00	0.00
Floating Charge Creditor		5,616.60	5,616.60
Trade & Expense Creditors	(83,558.59)	0.00	0.00
Employees	(6,170.73)	0.00	0.00
Investor Loans	(92,834.00)	0.00	0.00
Directors	(15,039.83)	0.00	0.00
HMRC	(5,683.00)	0.00	0.00
Ordinary Shareholders	(3.00)	0.00	0.00
		<u>33,451.10</u>	<u>33,451.10</u>
Net Receipts/(Payments)		<u>1,031.12</u>	<u>1,031.12</u>
MADE UP AS FOLLOWS			
Bank 1 Current		1,031.12	1,031.12
		<u>1,031.12</u>	<u>1,031.12</u>

Additional Information in Relation to the Joint Liquidators' Fees, Expenses & Disbursements**1 Staff Allocation and the Use of Sub-Contractors**

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a director, a manager, and an administrator or assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case

2 Professional Advisors

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

Name of Professional Advisor	Basis of Fee Arrangement
Mayo Wynne Baxter (legal advice)	Hourly rate and disbursements
SIA (UK) Ltd (valuation and disposal advice)	10% Commission and Disbursements

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.
- 2.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.
- 2.4 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Joint Liquidators' fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

White Maund

CHARGE OUT RATES & POLICY REGARDING THE RECHARGE OF DISBURSEMENT RECOVERY PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9

1 CHARGE-OUT RATES

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Details of charge-out rates effective from 1 June each year are as follows:

Staff	From 1/10/2017 Per hour (£)
Directors	275
Manager	-
Administrators	90 – 150
Assistants & Support Staff	75

2 DISBURSEMENT RECOVERY

In accordance with Statement of Insolvency Practice 9 (SIP9) disbursements are categorised as either Category 1 or Category 2.

2.1 Category 1 Disbursements

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by White Maund and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred. Category 1 disbursements can be drawn without prior approval, although an office holder should be prepared to disclose information about them in the same way as any other expenses.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

2.2 Category 2 Disbursements

Category 2 disbursements include elements of shared or allocated costs incurred by White Maund and recharged to the case; they are not attributed to the case by a third party invoice and/or they may include a profit element. Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration. When seeking approval, an office holder should explain, for each category of expenses, the basis on which the charge is being made. Examples of Category 2 disbursements are photocopying, all business mileage, internal room hire and internal storage.

The firm's current policy is that it recharges Category 2 disbursements as follows:

Expense	Recharge £
Destruction of books and records (per box)	3.50
Reports / Letters etc – per creditor	3.25
Correspondence – per debtor	2.00
Mileage at HMRC approved rate – per mile	0.45

All costs are subject to VAT, where applicable and reflect the actual cost of the materials or services used.

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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	Alexandra Grinyer
Company name	White Maund
Address	44-46 Old Steine
	Brighton
Post town	BN1 1NH
County/Region	
Postcode	
Country	
DX	
Telephone	01273 731144



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 the form.



Important information

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



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

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



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse