

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



A12 31/01/2018 #11
COMPANIES HOUSE

1 Company details

Company number 0 8 6 0 9 4 9 2

Company name in full SAVVY FOODS LIMITED

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

2 Liquidator's name

Full forename(s) ANDREW JOHN

Surname WAUDBY

3 Liquidator's address

Building name/number NEW CHARTFORD HOUSE

Street CENTURION WAY

Post town CLECKHEATON

County/Region WEST YORKSHIRE

Postcode B D 1 9 3 Q B

Country

4 Liquidator's name ①

Full forename(s) CHRISTOPHER

Surname WOOD

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

5 Liquidator's address ②

Building name/number NEW CHARTFORD HOUSE

Street CENTURION WAY

Post town CLECKHEATON

County/Region WEST YORKSHIRE

Postcode B D 1 9 3 Q B

Country

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

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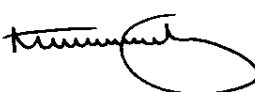
6 Period of progress report

From date	^d 0	^d 9	^m 1	^m 2	^y 2	^y 0	^y 1	^y 6
To date	^d 0	^d 8	^m 1	^m 2	^y 2	^y 0	^y 1	^y 7

7 Progress report☒ The progress report is attached**8** Sign and date

Liquidator's signature

Signature

X 

X

Signature date

^d 3	^d 0	^m 0	^m 1	^y 2	^y 0	^y 1	^y 8
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SAVVY FOODS LIMITED - IN LIQUIDATION

Annual Progress Report to Creditors pursuant to
Section 104A of the Insolvency Act 1986 and Rules 18.3, 18.4
and 18.7 of the Insolvency (England and Wales) Rules 2016

Private & Confidential

(This Report is for use by the Members and Creditors of the Company only and must not be published or provided to any other party without the written permission of BHP Corporate Solutions LLP)

BHP Corporate Solutions LLP
New Chartford House
Centurion Way
Cleckheaton
West Yorkshire
BD19 3QB

30 January 2018

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STATUTORY INFORMATION

Company Name:	Savvy Foods Limited - In Liquidation
Registered Number:	08609492
Registered Office:	New Chartford House, Centurion Way, Cleckheaton, West Yorkshire, BD19 3QB
Former Registered Office:	Unit 10, Meersbrook Enterprise Centre, 19 Valley Road, Sheffield, South Yorkshire, S8 9FT
Trading Address:	Unit 10, Meersbrook Enterprise Centre, 19 Valley Road, Sheffield, South Yorkshire, S8 9FT
Joint Liquidators Names:	Andrew John Waudby Christopher Wood
Joint Liquidators Firm:	BHP Corporate Solutions LLP
Joint Liquidators Address:	New Chartford House, Centurion Way, Cleckheaton, West Yorkshire, BD19 3QB
Date of Appointment:	9 December 2016
Period of Report:	9 December 2016 to 8 December 2017

INTRODUCTION

The purpose of this report is to detail the acts and dealings of the Joint Liquidators of Savvy Foods Limited ("the Company"), company number 08609492, for the period 9 December 2016 to 8 December 2017.

BACKGROUND

Christopher Wood and I were appointed as Joint Liquidators on 9 December 2016 at a meeting of the members of the Company, which was subsequently ratified at a meeting of the creditors of the Company held on the same date.

The Company's former registered office was Unit 10, Meersbrook Enterprise Centre, 19 Valley Road, Sheffield, South Yorkshire, S8 9FT and this was changed to the address of this office on 4 January 2017. The former registered office was also the trading address.

The Company's principal activity was in the health food sector.

ASSET REALISATIONS

According to the Statement of Affairs lodged in these proceedings, the assets of the Company had an estimated value of £22,343, which comprised of the following:

Assets	Estimated to Realise as per Statement of Affairs £	Realised to Date £	Estimated Further Realisations £
Plant & Machinery, Computer and Office Equipment	1,000.00	1,000.00	Nil
Stock	12,000.00	9,500.00	Nil
Intellectual Property	7,000.00	1,413.00	585.00
Goodwill	Nil	Nil	1.00
Customer and Supplier Lists	Nil	Nil	1.00
Book Debts	991.00	409.60	Nil
VAT Refund	1,190.00	Nil	Nil
Cash at Bank	162.00	649.14	Nil
Corporation Tax Refund	Unknown	Nil	Nil
Bank Interest Gross	Nil	2.47	Unknown
Totals	22,343.00	12,974.21	Unknown

Plant & Machinery, Computer and Office Equipment, Stock and Intellectual Property

The Company's plant & machinery, office furniture, business equipment, stock, customer and supplier lists and intellectual property were valued by Walker Singleton RICS chartered surveyors ("my Agents") on an ex-situ market value basis.

Prior to my appointment Katie Rhiannon Owens ("KRO") and Jonathan Drury ("JD") had indicated an interest in purchasing the assets of the Company and had indicated a potential price of £20,000.

Following the Joint Liquidators appointment another party also indicated an interest in the assets. I therefore instructed my agents to liaise with both interested parties and a deadline was set for best and final offers. Two offers were received, one for £15,000 including VAT and one for £12,500 including VAT. The higher offer was on the basis that £11,000 would be paid upfront with three equal deferred instalments being paid by 28 March 2017.

Upon advice from my agents the higher offer, being that from Carobco Limited was accepted. The sales price was as follows (plus VAT, where applicable):

	£
Plant & Machinery, Computer and Office Equipment	1,000
Stock	9,500
Intellectual Property	1,998
Goodwill	1
Customer and Supplier Lists	1
VAT	2,500
	<hr/>
Total (including VAT)	15,000
	<hr/>

CarobCo Limited initially employed KRO and JD, former directors and shareholders of the Company. Subsequently KRO and JD became shareholders of Carobco Limited.

The initial sum payable and the first two deferred instalments were received in full, however the purchaser has since encountered financial difficulty and has struggled to pay the final instalment in full. They have continued to make interim payments to reduce the balance owed. At 8 December 2017 the balance of £587 remains outstanding, which I will continue to pursue the payment of.

Book Debts

At the date of Liquidation, the sum of £2,052 was due to the Company from debtors. A specific provision of £1,061.12 was made in respect of irrecoverable debts leaving the estimated to realise figure at £991 for the Statement of Affairs. After pursuing the balance of book debts owed I have received the sum of £409.60, with the balance proving irrecoverable.

VAT Refund

At the date of Liquidation, it was estimated that the sum of £1,190 was due to the Company from HM Revenue & Customs in respect of a VAT refund. It subsequently transpired that £536.93 of the estimated VAT refund had already been reclaimed and paid to the Company prior to Liquidation. This left a balance due of £653.52 and returns were submitted to reclaim this amount, which has been set off against HM Revenue & Customs' liability for unpaid PAYE and NIC (totalling £1,035.44). As the amount due is lower than the liability no funds will be repaid and HM Revenue & Customs' final claim in the Liquidation has been reduced accordingly.

Cash at Bank

The sum of £162 was received from Santander Plc in respect of a credit balance held on the Company's current account.

Whilst reviewing activity on the Company's bank account after the date of Liquidation it was noted that payments totalling £459.16 had been allowed to be paid from the Company's bank account, despite me requesting that the account be frozen. Santander Plc agreed to repay this sum due to the error on their part.

Corporation Tax Refund

At the date of Liquidation, the directors advised that the Company was entitled to a Corporation Tax refund from HM Revenue & Customs in respect of Research and Development relief and the Company had already instructed professionals in relation to this. After seeking advice from the tax department of BHP Chartered Accountants it transpired that there was no potential to claim in this instance as the Company would have had to be a going concern when the claim was made and due to the Liquidation this was no longer the case. I am therefore unable to take any further action in this regard.

Bank Interest Gross

The sum of £2.47 has been received from Lloyds Bank Plc in respect of interest paid on the credit balance held on the Liquidation bank account.

RELATED PARTY TRANSACTIONS

KRO and JD were employed by and subsequently became shareholders of CarobCo Limited, who purchased the Company's plant & machinery, office furniture, business equipment, stock, customer and supplier lists and intellectual property.

It should be noted that although KRO and JD have not become directors of CarobCo Limited, they have had involvement with the management of this company.

INVESTIGATIONS

The Joint Liquidators carried out an initial review of the Company's affairs in the period prior to appointment. This included seeking information and explanations from the directors by means of questionnaires; making enquiries of the Company's accountants; reviewing information received from creditors; and collecting and examining the Company's bank statements, accounts and other records.

The directors provided the books and records and a completed questionnaire as well as a Statement of Affairs.

In addition creditors were asked to provide any information that may assist in the Joint Liquidator's investigations. I received information from one creditor which has been considered.

The information gleaned from this process enabled the Joint Liquidators to meet their statutory duty to submit a confidential report on the conduct of the directors (past and present) to the Department for Business, Energy and Industrial Strategy (formerly Department for Business, Innovation and Skills) on 2 March 2017.

This work was also carried out with the objective of making an initial assessment of whether there were any matters that may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company. This initial assessment has been completed and the Joint Liquidators did not identify any further assets or actions which might lead to a recovery for creditors.

Although this work did not generate any financial benefit to creditors, it was necessary to meet the statutory duties as well as conduct appropriate enquiries and investigations into potential rights of actions to enhance realisations.

CREDITORS CLAIMS

A creditor's guide to insolvency can be found at www.creditorinsolvencyguide.co.uk.

Secured Creditors

There were no secured creditors as per the Statement of Affairs.

Preferential Creditors

The preferential creditors as per the Statement of Affairs totalled £304. The Insolvency Service (Department of Employment) have not yet submitted a proof of debt form in respect of this.

Unsecured Creditors

The unsecured creditors, as per the Statement of Affairs totalled £101,750. Numerous proof of debt forms have been received from unsecured creditors which total £132,697.64 and the details have been noted on my files.

Of the claims received, there is only claim that is materially different to the value on the Statement of Affairs is from Strategas Limited, who were noted on the Statement of Affairs as having an estimated claim of £30,000, however they have submitted a claim for £62,900.

I have not undertaken a review of the claims received for dividend purposes as there are currently insufficient funds available to allow a dividend to any class of creditor.

DIVIDEND PROSPECTS

Pursuant to Section 176A of the Insolvency Act 1986 where a floating charge is created on or after 15 September 2003 a prescribed part of the Company's net property shall be made available to unsecured creditors. As there are no floating charge holders a prescribed part calculation is appropriate in this case.

It is not anticipated that there will be sufficient realisations in this case to permit paying a dividend to any class of creditor.

COSTS AND EXPENSES

The payments shown on the summary of the Receipts and Payments at Appendix 1 are in the main self-explanatory, however I would comment as follows:

Pre Appointment Costs

Prior to being appointed as Joint Liquidators the directors instructed us to assist them in convening the meetings of members and creditors and preparing the Statement of Affairs. This fee was agreed at the creditors meeting in the sum of £5,000 plus VAT and disbursements. In addition, Legal Studio Solicitors were to be paid the sum of £500 plus VAT for their assistance with preparing the Statement of Affairs. Both of these fees have been paid in full.

Joint Liquidators Remuneration

The Joint Liquidators are entitled to draw remuneration in relation to this assignment as authorised by creditors by postal resolution on 31 January 2017 in accordance with the following resolution:

"That the Joint Liquidators are authorised to draw their remuneration on a time costs basis with such remuneration to be drawn from time to time as funds permit and at their discretion, restricted to the fee estimate of £29,632 plus VAT."

Detailed notes to the fee estimated were circulated with the postal resolutions on 13 January 2017.

The time costs for the period 9 December 2016 to 8 December 2017 total £24,950, representing 126.90 hours at an average hourly rate of £196.61.

No monies have been drawn in respect of post appointment time costs incurred.

Having regard for the costs that are likely to be incurred in bringing the Liquidation to a close, the Joint Liquidators consider that:

- The original fees estimate is unlikely to be exceeded; and
- the original expenses estimate is unlikely to be exceeded

A breakdown of time costs incurred during the period, in accordance with Statement of Insolvency Practice 9, is set out in Appendix 2 to this report

Joint Liquidators Disbursements

The Joint Liquidators are able to recover disbursements that may include an element of overhead charges in accordance with the resolution passed by creditors by postal resolution on 31 January 2017. The basis of calculation of this category of disbursement was disclosed to creditors prior to the resolution being passed.

For the period 9 December 2016 to 8 December 2017 the Joint Liquidators have billed and been paid disbursements incurred in dealing with the assignment totalling £627.54 plus VAT, £106.32 of which are in relation to category 2 disbursements.

The Joint Liquidators have also incurred unbilled disbursements of £191.43 plus VAT, all of which relate to category 2 disbursements and I will look to recover these should sufficient funds become available.

Legal Fees

Legal Studio Solicitors were instructed as legal advisors in relation to their assistance with the assessment of creditor claims for the purpose of holding the initial meeting of creditors, as well as drafting the sale and purchase agreement in respect of the sale of the Company's assets and assisting with the collection of amounts due. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT.

For the period 9 December 2016 to 8 December 2017 they have incurred time costs of £5,637.50 plus VAT. They have been paid the sum of £3,200 plus VAT against these time costs.

Agents Fees

Walker Singleton Chartered Surveyors were instructed as agents and valuers in relation to their assistance with the valuation and sale of the Company's assets. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT.

For the period 9 December 2016 to 8 December 2017 they have incurred time costs of £3,193.75 plus VAT. They have been paid the sum of £2,500 plus VAT against these time costs.

A breakdown of costs and expenses incurred in the period, irrespective of whether they have been paid or not, is included at Appendix 3 to this report.

CONCLUSION

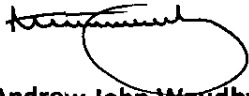
The Joint Liquidators shall continue the administration of the Liquidation and hope to finalise the outstanding matters that are preventing this case from being closed being the realisation of the remaining deferred consideration and the VAT refund that is due to the Company.

Creditors and members have the right to request further information from the Joint Liquidators under Rule 18.9 of the Insolvency (England and Wales) Rules 2016 and also have the right to challenge their remuneration and expenses as Joint Liquidators under Rule 18.34 of the Insolvency (England and Wales) Rules 2016 following receipt of a progress report. Further details of these rights can be found in the Creditors Guide to Fees which are available at:

<https://www.r3.org.uk/index.cfm?page=1591>

Alternatively a hard copy of the relevant guide will be sent to you free of charge on request. Please note there is a time limit for requesting information of 21 days following receipt of this progress report. There is a time limit of 8 weeks following receipt of this report for a Court application that the Joint Liquidators remuneration or expenses are excessive.

Please note that the Joint Liquidators are bound by the insolvency code of ethics, creditors are entitled to request details of any threats identified to compliance with the fundamental principles and safeguards applied. Any such requests should be made in writing to this office.



Andrew John Waudby
Joint Liquidator

Savvy Foods Limited - In Liquidation
Joint Liquidators' Abstract of Receipts & Payments

From 9 December 2016 to 8 December 2017

Statement of Affairs		£
£		
RECEIPTS		
1,000.00	Plant & Machinery, Computer and Office Equipment	1,000.00
12,000.00	Stock	9,500.00
7,000.00	Intellectual Property	1,413.00
991.00	Book Debts	409.60
1,190.00	VAT Refund	NIL
162.00	Cash at Bank	649.14
NIL	Bank Interest Gross	2.47
<u>22,343.00</u>		<u>12,974.21</u>
PAYMENTS		
	Statement of Affairs Fee	(5,000.00)
	Legal Fees	(3,200.00)
	Agents/Valuers Fees	(2,500.00)
	Statutory Advertising	(221.22)
	Specific Bond	(58.00)
	Computer System disbursement	(110.00)
	Insurance of Assets	(132.00)
	Postage & Photocopying	(106.32)
		<u>(11,327.54)</u>
CASH IN HAND		<u>1,646.67</u>
REPRESENTED BY		
	Current Account	606.67
	VAT Control Account	1,040.00
		<u>1,646.67</u>

Joint Liquidators' Remuneration Schedule
Savvy Foods Limited
Between 9 December 2016 and 8 December 2017

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Admin, Planning, Statutory Reporting & Compliance	3.20	24.00	1.20	27.60	56.00	9,547.00	170.48
Investigations	0.00	12.40	0.00	7.20	19.60	3,405.00	173.72
Realisation of Assets	0.40	37.40	1.00	4.00	42.80	10,407.00	243.15
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	3.40	0.10	3.70	7.20	1,258.00	174.72
Case Specific Matters	0.00	1.30	0.00	0.00	1.30	333.00	256.15
General Advice	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Appointment - Obtaining Information	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total hours	3.60	78.50	2.30	42.50	126.90		
Time costs	1,152.00	19,275.00	384.00	4,139.00		24,950.00	
Average hourly rate	320.00	245.54	166.96	97.39			196.61

Summary of Fees

Time spent in administering the Assignment	Hours	126.90
Total value of time spent to 8 December 2017	£	24,950.00
Total Joint Liquidators' fees charged to 8 December 2017	£	0.00

SAVVY FOODS LIMITED - IN LIQUIDATION
STATEMENT OF EXPENSES FOR THE PERIOD 9 DECEMBER 2016 TO 8 DECEMBER 2017

Expenses	Provider	Total paid at date of report (as per R&P) £	Costs incurred but not paid at date of report £	Total Expenses for the period £
Statement of Affairs Fee	BHP Corporate Solutions LLP	5,000.00	0.00	5,000.00
Joint Liquidators Remuneration	BHP Corporate Solutions LLP	0.00	24,950.00	24,950.00
Joint Liquidators Disbursements	BHP Corporate Solutions LLP	106.32	191.43	297.75
Legal Fees	Legal Studio Solicitors	3,200.00	2,437.50	5,637.50
Agents Fees	Walker Singleton Chartered Surveyors	2,500.00	693.75	3,193.75
Statutory Advertising	TMP (UK) Limited	221.22	0.00	221.22
Specific Bond	Marsh Limited	58.00	0.00	58.00
Computer System Disbursement	Visionblue Solutions	110.00	0.00	110.00
Insurance of assets	Marsh Limited	132.00	0.00	132.00
Total		11,327.54	28,272.68	39,600.22

Office Holder's charging and disbursement policy from 1 June 2017

The Office Holder's remuneration is charged by reference to the time properly given by the Office Holder and his staff in attending to matters arising and is charged in minimum time units of 6 minutes.

It is the Office Holder's policy to delegate tasks to appropriate members of staff considering their level of experience and any requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or the Office Holder himself.

Set out below are the relevant charge-out rates per hour worked for the Office Holder's staff actually or likely to be involved on these assignments. Time is charged by reference to actual work carried out on the assignment. There has been no allocation of any general costs or overhead costs.

Grade	£ per hour
Partner	290 - 320
Senior Manager	250 - 285
Manager	190 - 230
Executive	180
Analyst	150
Administration/Secretarial	50 - 130

In common with all professional firms, the scale rates used by the Office Holder may periodically rise (for example to cover annual inflationary cost increases) over the period of the assignment. Any material amendments to these rates will be advised to the creditors and any creditors' committee in the next statutory report.

Specialist departments within the associated businesses of BHP LLP, BHP Financial Planning Limited, Figuresout Limited, Project Search LLP and BHP Debt Advisory LLP do sometimes charge a small number of hours, should we require their expert advice. Their rates do vary, however, the figures shown give an indication of the maximum rate per hour.

The Office Holder's firm's expenses policy allows for all properly incurred expenses to be recharged to the case. The policy relating to Category 2 disbursements is as follows:

Category 2 disbursements

Postage	At cost – only charged for circulars to creditors or exceptional packages
Storage	At £0.50 per box per month
Photocopying	At 5 pence per side copied, only charged for circulars to creditors and exceptional amounts of copying
Mileage	At a maximum of 50 pence per mile (up to 2,000cc) or 70 pence per mile (over 2,000cc)
Staff expenses	These are only charged as they relate to the assignment and will generally be for subsistence or items charged at cost

LIQ03

Notice of progress report in voluntary winding up

**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 **ANDREW JOHN WAUDBY**

Company name **BHP CORPORATE SOLUTIONS LLP**

Address **NEW CHARTFORD HOUSE**

CENTURION WAY

Post town **CLECKHEATON**

County/Region **WEST YORKSHIRE**

Postcode **B D 1 9 3 Q B**

Country

DX

Telephone **0333 456 0078**

**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