

# LIQ14

## Notice of final account prior to dissolution in CVL



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 08777318

Company name in full Cereal Killer Cafe Limited

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

### 2 Liquidator's name

Full forename(s) Dean Anthony

Surname Nelson

### 3 Liquidator's address

Building name/number St Helens House

Street King Street

Post town Derby

County/Region

Postcode DE13EE

Country

### 4 Liquidator's name ①

Full forename(s) Nicholas Charles Osborn

Surname Lee

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

### 5 Liquidator's address ②

Building name/number St Helens House

Street King Street

Post town Derby

County/Region

Postcode DE13EE

Country

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

# LIQ14

## Notice of final account prior to dissolution in CVL

### 6 Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

:

### 7 Final account

☒ I attach a copy of the final account.

### 8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

<sup>d</sup>2<sup>d</sup>8

<sup>m</sup>0<sup>m</sup>7

<sup>y</sup>2<sup>y</sup>0<sup>y</sup>2<sup>y</sup>2

**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 **Kieran Marshall**

Company name **PKF Smith Cooper**

Address  
**St Helen's House**  
**King Street**

Post town  
**Derby**

County/Region

Postcode 

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Country

DX

Telephone **01332 332021**

**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

**Cereal Killer Cafe Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**  
**From 14 July 2020 To 1 June 2022**

Statement of Affairs £		£	£
	<b>SECURED ASSETS</b>		
NIL	Leasehold Land & Property	NIL	NIL
	<b>SECURED CREDITORS</b>		
(69,333.00)	Barclays Bank PLC	NIL	NIL
	<b>ASSET REALISATIONS</b>		
8,000.00	Tangible Fixed Assets	4,376.00	
1,454.00	Stock	5,000.01	
Uncertain	Website, Trading name and Online bu	5,000.00	
	Right Of Action	21,000.00	
	Bank Interest Gross	3.71	
NIL	Prepayments	NIL	
794.00	Intercompany Debtor - CTL	794.00	36,173.72
	<b>COST OF REALISATIONS</b>		
	Specific Bond	48.00	
	ADS Fees	1,250.00	
	Pre-Appointment Fees	7,500.00	
	Joint Liquidators' Fees	16,649.26	
	Agents/Valuers Fees	3,476.40	
	Legal Fees - PayPal	250.00	
	Legal fees - Leases	867.00	
	Legal Fees - Geldards	5,000.00	
	Storage Costs	121.35	
	Statutory Advertising	240.00	
	Pension Advisors	600.00	
	Insurance of Assets	168.00	
	Bank Charges	3.71	(36,173.72)
	<b>PREFERENTIAL CREDITORS</b>		
(5,806.00)	Employee Holiday Pay Arrears	NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(6,970.00)	Trade & Expense Creditors	NIL	
(6,170.00)	PILON and Redundancy Pay	NIL	
(85,020.00)	Barclays - CBILS and Bank Overdraft	NIL	
(3,215.00)	Pensions Payable	NIL	
(47,022.00)	HMRC - CT, PAYE and VAT	NIL	
(10,529.00)	Directors' Loan Accounts	NIL	
(55,313.00)	Cereal Killer International Ltd	NIL	
(11,925.00)	Funding Circle Loan	NIL	NIL
	<b>DISTRIBUTIONS</b>		
(100.00)	Ordinary Shareholders	NIL	

Statement of Affairs			
£		£	£
			NIL
(291,155.00)			0.00
REPRESENTED BY			
			NIL

Dean Anthony Nelson  
Joint Liquidator

**JOINT LIQUIDATORS' FINAL ACCOUNT TO 1 JUNE 2022**

**CEREAL KILLER CAFÉ LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION**

Dean Anthony Nelson

PKF Smith Cooper  
**St Helen's House, King Street, Derby, DE1 3EE**  
01332 332021

Nicholas Charles Osborn Lee

PKF Smith Cooper  
158 Edmund Street, Birmingham, B3 2HB  
0121 236 6789

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DEFINITIONS

<b>“Act”</b>	Insolvency Act 1986
<b>“ADS”</b>	ADS Accountancy Limited
<b>“Barclays”</b>	Barclays Bank Plc
<b>“CBILS”</b>	Coronavirus Business Interruption Loan Scheme
<b>“Chattels”</b>	Plant & Equipment, Computer Equipment and Shop Fittings
<b>“CIS”</b>	Construction Industry Scheme
<b>“Clumber”</b>	Clumber Consultancy Limited
<b>“Company”</b>	Cereal Killer Café Limited – in Liquidation
<b>“CT”</b>	Corporation Tax
<b>“CTL”</b>	Cornflake Twins Limited, a company associated by virtue of common directorship
<b>“Director”</b>	Alan Keery, Director of the Company
<b>“DLA”</b>	Director's Loan Account
<b>“Excello”</b>	Excello Law Limited
<b>“Final Period”</b>	Period covering 14 July 2021 to 1 June 2022
<b>“Firm”</b>	PKF SC Advisory Services Limited T/A PKF Smith Cooper
<b>“Geldards”</b>	Geldards LLP
<b>“HMRC”</b>	HM Revenue and Customs
<b>“Joint Liquidators”</b>	Dean Anthony Nelson and Nicholas Charles Osborn Lee of the Firm
<b>“JPS”</b>	John Pye and Sons Limited
<b>“NIC”</b>	National Insurance Contributions
<b>“PAYE”</b>	Pay As You Earn
<b>“PayPal”</b>	PayPal (UK) Limited
<b>“PILON”</b>	Pay in Lieu of Notice
<b>“POD”</b>	Proof of Debt
<b>“PP”</b>	Prescribed Part
<b>“Property”</b>	The premises at 192a Brick Lane, London, E1 6SA
<b>“R&amp;P”</b>	Receipts and Payments Account to 1 June 2022
<b>“RPS”</b>	Redundancy Payments Services
<b>“Rules”</b>	Insolvency (England & Wales) Rules 2016
<b>“SP”</b>	Smiths (Solicitors) LLP T/A Smith Partnership
<b>“SoA”</b>	Statement of Affairs as at 10 July 2020
<b>“SIP”</b>	Statement of Insolvency Practice
<b>“VAT”</b>	Value Added Tax
<b>“Whole Period”</b>	Period covering 14 July 2020 to 1 June 2022

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9. Conclusion

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FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
IN CREDITORS' VOLUNTARY LIQUIDATION

1. EXECUTIVE SUMMARY

A summary of key information in this report is detailed below.

1.1 Assets

Asset	Estimated to Realise per SoA (£)	Total Realisations (£)
Assets Specifically Pledged		
Leasehold Property	-	-
Assets Not Specifically Pledged		
Chattel Assets	8,000	4,376
Stock	1,454	5,000
Website, Trading Name and Online Business	Uncertain	5,000
Intercompany Debtor – CTL	794	794
Prepayments	-	-
Right of Action	-	21,000
Bank Interest	-	4
Total	10,248	36,174

1.2 Expenses

Expense	Amount Per Fees and Expenses Estimates (£)	Expense Incurred (But Not Necessarily Paid) To Date (£)	Further Expense to Closure (£)	Total Expenses/ Fees (£)
Joint Liquidators' Fees	31,159	42,090	3,000	45,090
Pre-Appointment Fees	7,500	7,500	-	7,500
ADS SoA Fees	1,250	1,250	-	1,250
Specific Bond	162	48	-	48
Statutory Advertising	240	240	-	240
Storage Costs	1,000	121	-	121
Redirection of Mail	216	-	-	-
Agents' Fees (Chattels and Stock)	5,000	3,476	-	3,476
Agents' Fees (Leasehold Property)	2,000	-	-	-
Legal Fees – PayPal	3,000	250	-	250
Legal Fees – Leases		867	-	867
Legal Fees – Investigations		5,000	-	5,000
Pension Advisors	1,000	600	-	600
Insurance of Assets	-	168	-	168
Bank Charges	-	4	-	4
VAT Advisors (the Firm)	500	-	-	-
Tax Advisors (the Firm)	500	-	-	-
Total	53,527	61,614	3,000	64,614

### 1.3 Dividend Prospects

Creditor class	Distribution/Dividend Paid to Date (£)
Secured Creditor	-
Preferential Creditors	-
Secondary Preferential Creditors	N/A
Unsecured Creditors	-

### 1.4 Closure

There are no further matters to be progressed, and the Liquidation may now be concluded.

## 2. ADMINISTRATION AND PLANNING

### 2.1 Statutory Information

Statutory information may be found at Appendix I.

The Joint Liquidators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found in Appendix III.

### 2.2 Reporting

The Joint Liquidators have met their statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

During the Whole Period, the following key documents have been issued:

- Report notifying creditors of the outcome of the S100 meeting; and
- The Joint Liquidators' Annual Progress Report to 13 July 2021\*.

The items marked with an\* were carried out during the Final Period.

### 2.3 Other Administration Tasks

During the Whole Period, the following material tasks in this category were carried out:

- Consulting with staff as regards practical and technical aspects of the case to ensure efficient progress\*;
  - Maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Liquidators that materially affect the administration of the estate\*;
  - Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards\*;
  - Monitoring and maintaining an adequate statutory bond\*;
  - Conducting periodic case reviews to ensure that the Liquidation is progressing efficiently, effectively and in line with the statutory requirements\*;
  - Liaising with former clients in relation their documentation previously held by the LLP;
  - Maintaining and updating the estate cash book and bank accounts, including bank reconciliations and processing receipts and payments\*;
  - Periodic VAT returns;
  - Requesting pre-appointment CT clearance from HMRC;
-

- Requesting CT clearance for the year ended 13 July 2021\*; and
- Requesting CT clearance for the Final Period\*.

The items marked with an\* were carried out during the Final Period.

### 3. ENQUIRIES AND 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, a completed questionnaire and a SoA.

The information obtained 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 Insolvency Service, on 13 October 2020.

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 revealed matters that the Joint Liquidators considered merited further investigation, as follows:

- A number of potential preferences, in accordance with S239 of the Act;
- A potential overdrawn DLA; and
- A PayPal account which was formerly operated by the Company.

#### 3.1 Potential Preferences

Following the initial investigations undertaken, the Joint Liquidators identified payments that had been made prior to the Liquidation, which could be considered to have been a preference, in accordance with Section 239 of the Act.

The initial review of the bank statements identified a payment to a former supplier of the Company, for the amount of c.£7.9k in June 2020.

The Joint Liquidators wrote to the former supplier and requested the repayment of the balance in full.

However, the former supplier refuted that the balance was owed, on the basis that the orders made by the Company in April 2020 were on a pro-forma basis, and payment was required before delivery of the goods in June and July 2020. The former supplier also provided documentation to support this explanation.

The Joint Liquidators therefore sought legal advice from Geldards in respect of these assertions.

Following a review of the information available, Geldards confirmed that the transaction was unlikely to represent a preference, and that it would be uneconomical to pursue any further. No further action was therefore taken in this respect.

In addition, the initial review of the bank statements highlighted a payment to a connected party for the amount of £0.6k in June 2020.

The Joint Liquidators wrote to the connected party and requested repayment of the balance in full.

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However, the party in question refuted that the balance was owed, on the basis that the payment was in relation to a furlough payment for their monthly salary. Having reviewed this assertion and the information available, it was concluded that this was the correct position. The Joint Liquidators therefore took no further action in this respect.

The final potential preference identified related to repayments of a loan made by a third party to the Company.

Payments in the sum of £40k were made from the Company to the third party in May 2020 and June 2020.

The Joint Liquidators contacted the party in question, requesting that the balance be repaid in full.

The request for repayment was refuted by the third party, on the basis that the loan made to the Company was short term only, and immediately repayable on demand, and at the time of the payments, it was the Company's intentions to continue to trade.

The Joint Liquidators subsequently instructed Geldards to assist and advise in relation to this potential preference, and requested that documentation setting out the terms of the loan made to the Company be provided.

This documentation was provided, and forwarded onto Geldards. Following a review of the information available, Geldards advised the Joint Liquidators that they had a strong claim for a preference.

Geldards therefore wrote to the party in question, via their advisors, again requesting repayment in full.

The third party's advisors responded to Geldards' letter, refuting that any balance was due to the Company. However, at the same time, the party in question made an offer of £7k in full and final settlement of the preference, to ensure any further action was not taken. This was immediately rejected by the Joint Liquidators.

At the same time, the Joint Liquidators contacted Manolete, litigation funders, to establish whether they would be interested in either purchasing the right of action, or funding the action going forward.

Following a review of the information available, Manolete made an offer to purchase the right of action from the Joint Liquidators, under the following payment terms:

- An initial consideration of £3k; and
- 50% of the net proceeds recovered.

Following further correspondence between Geldards and the third party's advisors, the party in question made an offer of £20k in full and final settlement of the debt. The Joint Liquidators requested that the third party completed a statement of means, which included details of their assets and liabilities, and monthly income and expenditure.

A completed statement of means was provided, and the Joint Liquidators made a counter offer of £25k, in full and final settlement of the debt.

The third party stated, that due to their own personal circumstances, they were unable to pay anymore than £21k in full and final settlement of the debt, which would also be payable within 7 days of acceptance.

The Joint Liquidators considered the merits of the offer and the potential costs to be incurred in pursuing the debt further, and the potential net realisations from Manolete. The Joint Liquidators and Geldards concluded that this offer would represent the best net realisation to the Liquidation estate, and therefore the offer was accepted, and the balance has been received in full.

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There will be no further realisations in this respect.

### 3.2 Potential Overdrawn DLA

The Joint Liquidators' investigations noted that one of the Directors had an overdrawn DLA, in the sum of c.£13.6k. Upon discovery of the DLA, the Joint Liquidators wrote to the Director in question, requesting that the balance of the DLA be repaid in full.

The Director whose DLA was allegedly overdrawn asserted that the balance was not due, and provided the Joint Liquidators with substantive evidence, to prove that they were in fact a creditor of the Company.

This position was shown to be correct, and the Joint Liquidators therefore took no further action in this respect.

### 3.3 PayPal Account

The Company operated an account with PayPal, which the Joint Liquidators understand may have been subsequently utilised by a connected company. The Joint Liquidators attempted, on numerous occasions, to obtain the relevant statements from PayPal, with the assistance of Excello. However, PayPal did not provide either the Joint Liquidators or Excello with the requested statements.

The Joint Liquidators subsequently sought Excello's advice on other courses of action which could be made to recover the statements. Excello advised that the costs for making an application to Court under S236 of the Act would cost a minimum of £5k plus VAT, and it would be extremely unlikely that Counsel would be willing act on a CFA basis.

The Joint Liquidators considered the amount previously held in the Company's PayPal account, the fact that it will be unlikely to prove who the funds held in the account at the date of appointment belonged to, and the costs involved in obtaining the PayPal statements, it was deemed unlikely that pursuing these statements any further would lead to any benefit to the Liquidation estate.

Therefore, the Joint Liquidators concluded, with the assistance of Excello, that they should not continue any action in respect of the PayPal account, to avoid further costs accruing, at detriment to the Liquidation estate.

There have been no further investigations undertaken during the Liquidation, other than those detailed in this report.

## 4. REALISATION OF ASSETS

Detailed below is key information about asset realisation and strategy, however, more details about the work undertaken may be found at Appendix III. The Joint Liquidators formulated and worked through a realisation strategy that sought to maximise realisations net of costs. The financial benefit of those efforts is described further below.

### 4.1 Transactions with Connected Parties

Since appointment, a sale to a connected party has occurred.

On the appointment of the Joint Liquidators, the Company's Director, Alan Keery, expressed an interest in purchasing the following:

- The Company's remaining stock; and
- The Company's website, trading name and online business.

Mr Keery is connected with the Company by virtue of being both a Director and Shareholder of the Company.

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The Joint Liquidators instructed JPS, who are professional independent agents with adequate professional indemnity insurance, to dispose of the Company's assets using the most advantageous method available.

Mr Keery contacted the Joint Liquidators upon their appointment, and provided an offer of £5k plus VAT for the Company's remaining stock and £5k plus VAT for the Company's website, trading name and online business. JPS weighed up the advantages of a swift sale, which would avoid the ongoing costs of collecting, storing and marketing the assets, against the potential of attracting a better offer, albeit that this would incur increased costs. JPS concluded that Mr Keery's offer was very likely to represent the best net realisation for these assets and they recommended that the offer be accepted.

Consequently, the Company's stock and website, trading name and online business were sold to Mr Keery on 28 July 2021, for a collective value of £10k plus VAT, which was agreed to be paid in 6 monthly instalments of £2k, commencing on 1 August 2020. This balance has been paid in full during the Whole Period.

There have been no further realisations in this respect during the Final Period, and there will be no further realisations in this respect.

#### 4.2 Leasehold Property

The Company held a lease over premises at the Property, which had a period of c.1 year remaining. The leasehold interest was subject to Barclays' fixed charge, who have confirmed that they have an outstanding liability of c.£130k in this respect.

Prior to the appointment of the Joint Liquidators, JPS were instructed to conduct a valuation of the Company's leasehold interest in the Property.

Following a review of the terms of the lease, JPS concluded that the Company's leasehold interest in the Property did not have a realisable value; as a result of a downturn of both the lease premium and property markets, which had coincided with the Covid-19 pandemic.

JPS explained that that this downturn would result in prospective tenants of leasehold premises, wanting to achieve favourable terms with landlords, and therefore will not want to pay a lease premium.

JPS therefore advised that the Joint Liquidators should disclaim the lease.

During the Whole Period, the Joint Liquidators have disclaimed their interest in the Property, with the assistance of SP.

There have been no further realisations in this respect during the Final Period, and there will be no further realisations in this respect.

#### 4.3 Chattels

The following table details the realisations made in respect of the Company's Chattels.

Book Value	Estimated to Realise per the SoA	Total Realisations
(£)	(£)	(£)
27,649	8,000	4,376

The Company owned an assortment of Chattels, at both the Property and the premises it operated from in Camden.

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Prior to the appointment of the Joint Liquidators, the Chattels were valued remotely by JPS, who estimated that the Chattels had a collective value of £8k plus VAT on a forced sale basis.

Upon appointment, JPS attended the Company's premises and collected the Chattels they considered to have a realisable value. JPS subsequently advised that these Chattels had a realisable value of c.£4k plus VAT.

During the Whole Period, JPS sold the Company's Chattels for c.£4.4k plus VAT.

There have been no further realisations in this respect during the Final Period, and there will be no further realisations in this respect.

#### 4.4 Stock

The following table details the realisations made in respect of the Company's stock.

Book Value	Estimated to Realise per the SoA	Total Realisations
(£)	(£)	(£)
9,692	1,454	5,000

The Company owned an assortment of cereal stock, with a book value of c.£9.7k.

Prior to the appointment of the Joint Liquidators, the stock was valued remotely by JPS, who estimated that the stock had a collective value of c.£1.5k plus VAT on a forced sale basis. This amount accounted for any perishable stock available (such as open boxes), not being realisable.

As detailed at section 4.1, on the appointment of the Joint Liquidators, Alan Keery, a Director of the Company, made an offer to purchase the Company's stock for £5k plus VAT.

This offer was accepted, following a recommendation from JPS, and the sales consideration has been received in full during the Whole Period.

There have been no further realisations in this respect during the Final Period, and there will be no further realisations in this respect.

#### 4.5 Website, Trading Name and Online Business

The following table details the realisations made in respect of the Company's website, trading name and online business, during the Review Period.

Book Value	Estimated to Realise per the SoA	Total Realisations
(£)	(£)	(£)
3,018	Uncertain	5,000

The Company owned a website, where it conducted its trade for its online retail business, with a book value of c.£3k.

As detailed at section 4.1, on the appointment of the Joint Liquidators, Alan Keery, a Director of the Company, made an offer to purchase the Company's website, trading name and online business for £5k plus VAT.

This offer was accepted, following a recommendation from JPS, and the sales consideration has been received in full during the Whole Period.

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There have been no further realisations in this respect during the Final Period, and there will be no further realisations in this respect.

#### 4.6 Intercompany Debtor – CTL

The Company's books and records indicated that CTL, a company associated by virtue of common directorship and ownership, had an outstanding intercompany debt of c.£0.8k, owed to the Company.

The Joint Liquidators reviewed the position of the intercompany debtor, and requested that this amount be repaid in full to the Liquidation estate.

This balance has been received in full during the Whole Period.

There have been no further realisations in this respect during the Final Period, and there will be no further realisations in this respect.

#### 4.7 Prepayments

The Company's books and records indicated that the Company had made prepayments in the sum of c.£9.7k.

These repayments were not recoverable, and therefore no realisations have been made in this respect during the Final Period or Whole Period.

#### 4.8 Right of Action

As comprehensively detailed in section 3 of this report, the Joint Liquidators pursued a right of action, in relation to a payment made by the Company to a third party, which could be considered to have been a preference.

As detailed in section 3.1 of this report, a full and final settlement of £21k was agreed with the third party in question, and has been received in full during the Final Period.

There will be no further realisations in this respect.

### 5. CREDITORS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Joint Liquidators have had to carry out key tasks which are detailed in the list at Appendix III. The following sections explain the outcomes to creditors and any distributions paid.

#### 5.1 Secured Creditors

The Company had granted the following securities:

Type of Charge	Date Created	Beneficiary
Fixed and Floating Charge	28 November 2017	Barclays
Legal Mortgage	22 May 2018	Barclays

The debt due to Barclays at the date of appointment was made up of a legal mortgage obtained for the purpose of purchasing the leasehold interest of the Property. The total quantum due to Barclays is c.£130k, in respect of their security, excluding charges and accruing interest. There are insufficient funds available to enable any dividend distribution to Barclays under its fixed charge.

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## 5.2 Preferential Creditors

### Employee Claims

The Company's 14 employees were made redundant on 26 June 2020. The relevant information for employees to submit claims has been made to the RPS, and information and help has been given to employees to enable them to submit their claims.

In the SoA, employees were shown to be owed c.£5.8k, in respect of holiday pay arrears. However, the Joint Liquidators have not received a claim from the RPS in relation to payments made.

In addition, unpaid pension contributions of c.£0.4k were expected to rank preferentially. A form RP15 has been submitted by the Joint Liquidators to the RPS in this respect. However, as stated, no claim has been received from the RPS in this respect.

There are insufficient funds to facilitate a dividend distribution to the Company's Preferential Creditors.

## 5.3 Secondary Preferential Creditors

In any insolvency process started from 1 December 2020, HMRC is a Secondary Preferential Creditor for the following liabilities:

- VAT;
- PAYE Income Tax;
- Employees' NIC;
- CIS Deductions; and
- Student Loan Deductions.

This will mean that, if there are sufficient funds available, any of the above amounts owed by the Company will be paid after the Preferential Creditors have been paid in full.

As the Joint Liquidators were appointed on 14 July 2020, this does not apply in this Liquidation.

## 5.4 Unsecured Creditors

The below table details unsecured claims received by the Joint Liquidators during the Whole Period.

Type of Creditor	SoA Amount (£)	Claims Received (£)
Trade and Expense	6,970	5,846
PILON and Redundancy Pay	6,170	-
Barclays - CBILS and Bank Overdraft	85,020	80,000
Pensions Payable	3,215	-
HMRC - CT, PAYE and VAT	47,022	-
DLA	10,529	10,528
Cereal Killer International Limited	55,313	55,313
Funding Circle	11,925	16,273
	<u>226,164</u>	<u>167,960</u>

## 5.5 Dividends Prospects

There are insufficient funds available in order to facilitate a dividend distribution to Unsecured Creditors.

## 5.6 PP

Where a floating charge is created after 15 September 2003 a PP of the Company's net property shall be made available to Unsecured Creditors.

The Company granted a fixed and floating charges to Barclays on 28 November 2017 and 22 May 2018.

However, based on present information, the Joint Liquidators estimate that there will be insufficient realisations to discharge in full all costs and preferential claims. Therefore, there will be no net property from which to deduct a PP.

## 6. ETHICS

Please also be advised that Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

### 6.1 General Ethical Considerations

Prior to the Joint Liquidator's appointment, a review of ethical issues was undertaken and no ethical threats were identified. During both the Whole Period and Final Period, further reviews have been carried out and no new threats were identified in respect of the management of the insolvency appointment.

### 6.2 Specialist Advice and Services

When instructing third parties to provide specialist advice and services or having the specialist services provided by the Firm, the Joint Liquidators are obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work undertaken. The Firm reviews annually the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed at section 7.4.

## 7. FEES AND EXPENSES

### 7.1 Pre-Appointment Costs

Fixed Fee Agreed with the Directors and Ratified by Creditors

On 14 July 2020, the creditors authorised the fee of £7.5k plus VAT for assisting the Directors with placing the Company in Liquidation and with preparing the SoA.

The fee was paid from first realisations on appointment and is shown in the enclosed R&P at Appendix II.

In addition, a payment of £1.25k plus VAT was paid to ADS for their assistance with preparing accounts in connection with the SoA.

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## 7.2 The Joint Liquidators' Fees

It is the Firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day-to-day administration on cases and a Manager, Director or Partner then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a Manager, Director or Partner.

The basis of the Joint Liquidators' fees was approved by creditors on 14 July 2020 in accordance with the following resolution:

*"That the basis of the Joint Liquidators' fees be fixed by reference to the time properly given by the Liquidators and their staff in attending to matters arising in the winding up of the company, such time to be charged at the prevailing standard hourly charge out rates used by Smith Cooper at the time when the work is performed (plus VAT)."*

The time costs for the Final Period total c.£16.7k, representing c.92 hours at an average hourly rate of c.£181. The sum of c.£16.6k plus VAT has been drawn on account of time costs incurred during both the Final Period and Whole Period.

The total time costs during the Whole Period of appointment amount to c.£42.1k representing c.250 hours at an average hourly rate of c.£168. It is anticipated that further time costs of £3k will be incurred in closure of the Liquidation, leaving time costs of c.£28.5k to be written off as irrecoverable.

The time costs for both the Final Period and Whole Period are detailed at Appendix IV, and a comparison between the original estimate and time costs to date is given at Appendix V.

Having regard for the costs that are likely to be incurred in bringing this Liquidation to a close, the Joint Liquidators consider that the original fees estimate has been exceeded.

The main reasons why the fees estimate has been exceeded is due to the following:

- The Joint Liquidators have incurred additional time costs in adhering to their statutory duties, as a result of the case being kept open significantly longer than initially anticipated.
- The Joint Liquidators have incurred significant additional time costs in finalising their investigations, as detailed by the work completed at section 3 of this report. It was not anticipated that the Joint Liquidators initial assessment would reveal matters that required further investigations and have to incur such significant time costs in pursuing certain transactions.

However, given the limited realisations anticipated in this case, the Joint Liquidators have not proposed to draw fees in excess of the fees estimate.

## 7.3 Expenses

An amended Statement of Insolvency Practice (SIP), SIP 9, was issued on 1 April 2021. The amended SIP 9 has changed some of the terminology and introduced additional disclosure requirements. The information below may therefore not reflect the information previously provided.

The expenses, which include disbursements that have been incurred and paid during both the Final Period and Whole Period are detailed on Appendix VI. Also included in Appendix VI is a comparison of the expenses likely to be incurred in the Liquidation as a whole with the original expenses estimate, together with reasons where any expenses exceeded that estimate.

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The Category 1 expenses incurred during the Final Period and Whole Period total c.£5.1k plus VAT and c.£10.8k plus VAT, respectively, and are detailed at Appendix VI (and those paid at Appendix II), and represent payments to parties not associated with the Firm, who have provided services or goods for the administration of the assignment.

No Category 2 expenses have been incurred in either the Final Period and Whole Period. The basis of calculation of this category of expense was disclosed to creditors to their approval, which was given on 14 July 2020, and are also detailed at Appendix VII.

The basis of calculation of this category of expense was disclosed to creditors prior to their approval, which was given on 14 July 2020, and are also detailed at Appendix VII.

Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk/>.

A copy of 'A Creditors' Guide to Fees' may be found at <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees//page/1>.

Please then download the "Liquidation: A Guide for Creditors on Insolvency Practitioner Fees".

A hard copy of the Creditors' Guide may be obtained on request.

#### 7.4 Other Professional Costs

##### 7.4.1 Agents and Valuers' Fees

JPS were instructed as agents and valuers in relation to the following:

- Providing advice in relation to the realisable value of the Company's leasehold interest in the Property;
- Conducting a valuation, collecting the realisable assets from the Company's premises and conducting a sale of the Company's Chattels;
- Providing a valuation and a recommendation in respect of the offer received from Mr Keery for the Company's stock;
- Providing a recommendation in respect of the offer received from Mr Keery for the Company's website, trading name and online business.

No fees have been incurred by JPS in respect of their advice in respect of the leasehold interest in the Property.

During the Whole Period, the following fees have been incurred and paid, in relation to JPS' work (net of VAT):

	£
Commission on Chattels (15%)	656
Professional Services (Time Costs)	<u>2,820</u>
	<u><u>3,476</u></u>

These costs have been paid in full during the Whole Period.

There have been no further fees incurred or paid during the Final Period, and there will be no further fees in this respect.

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#### 7.4.2 Legal Fees – SP

SP were instructed as legal advisors in relation to disclaiming the leases of the Property and the Company's Camden premises. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT, limited to c.£0.9k plus VAT. SP's fees for the Whole Period amount to c.£0.9k plus VAT, and these have been paid in full.

There have been no further fees incurred or paid during the Final Period, and there will be no further fees in this respect.

#### 7.4.3 Legal Fees – Geldards

Geldards were instructed as legal advisors in relation to assisting and advising the Joint Liquidators in respect of the following matters:

- Advising as to whether the Joint Liquidators had a valid right of action against the beneficiaries of the potential preferences;
- Extensively corresponding with third party solicitors in relation to actions being taken;
- Advising and assisting in the negotiations with third parties, in relation to settlement of rights of action.

Geldards' costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT. Geldards have incurred time costs of c.£8k. However, Geldards agreed to limit their fees to £5k plus VAT. These fees have been paid in full during the Final Period.

There will be no further fees in this respect.

#### 7.4.4 Legal Fees – Excello

Excello were instructed to assist the Joint Liquidators with the pursuit of the statements from PayPal.

Excello's fees have been agreed on a fixed fee basis of £0.25k plus VAT. These fees have been paid during the Final Period.

There have been no further fees incurred during the Final Period, and there will be no further fees in this respect.

#### 7.4.5 Pension Advisors' Fees

Clumber were instructed by the Joint Liquidators as advisors in relation to the following:

- Providing advice in respect of what actions are required to compliantly wind up the Company's pension scheme; and
- Assisting with the preparation of the form RP15, to make a claim to the RPS for unpaid pension contributions.

Clumber's fees have been agreed on a fixed fee basis. During the Whole Period, fees of £0.6k plus VAT have been incurred and paid.

There have been no further fees incurred or paid during the Final Period, and there will be no further fees in this respect.

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8. **CREDITORS' RIGHTS**

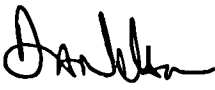
An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Joint Liquidators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Joint Liquidators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

9. **CONCLUSION**

There are no other matters outstanding and the affairs of the Company have been fully wound up.

If you require any further information, please contact this office.

Signed  \_\_\_\_\_

D A Nelson  
Joint Liquidator  
1 June 2022

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FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
**IN CREDITORS' VOLUNTARY LIQUIDATION**

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STATUTORY INFORMATION

APPENDIX I

FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
IN CREDITORS' VOLUNTARY LIQUIDATION

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Company Number:	08777318	
Date of Incorporation:	15 November 2013	
Nature of Business:	Unlicensed restaurants and cafés	
Registered Office:	Former: Bezant House, Bradgate Park View, Chellaston, DE73 5UH  Currently: St Helen's House, King Street, Derby, DE1 3EE	
Former Trading Addresses:	192a Brick Lane, London, E1 6SA and Mezz 2 Camden Stables Market, Chalkfarm Road, Camden, NW1 8AH	
Office Holders	Dean Anthony Nelson and Nicholas Charles Osborn Lee	
<b>Office Holders' Address</b>	PKF Smith Cooper, St Helen's House, King Street, Derby, DE1 3EE and PKF Smith Cooper, 158 Edmund Street, Birmingham, B3 2HB	
Date of Appointment	14 July 2020	
Directors in the Last 3 Years:	Appointed	Resigned
Alan Keery	15 November 2013	-
Gary Keery	15 November 2013	-
Accountants:	ADS Accountancy Limited, Bezant House, Bradgate Park View, Chellaston, Derby, DE73 5UH	
Debentures:	Barclays Bank PLC, created 28 November 2017 and delivered 30 November 2017 (Fixed and floating charges)  Barclays Bank PLC, created 22 May 2018 and delivered 23 May 2018 (Fixed charge only)	
Classes of shares issued	100 £1 Ordinary Shares	
Share Capital:	£100	

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FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
**IN CREDITORS' VOLUNTARY LIQUIDATION**

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Name of Shareholder	Shares Held
Alan Keery	50 Ordinary Shares
Gary Keery	50 Ordinary Shares
Names and company numbers of parent, subsidiary and associated companies	Cereal Killer International Limited (09547544) Cornflake Twins Limited (09547580) The Keery Twins Limited (11046079) – Dissolved on 5 March 2019

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FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
IN CREDITORS' VOLUNTARY LIQUIDATION

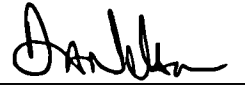
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JOINT LIQUIDATORS' R&P

APPENDIX II

Cereal Killer Cafe Limited  
(In Liquidation)  
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 14/07/2021 To 01/06/2022 £	From 14/07/2020 To 01/06/2022 £
	SECURED ASSETS		
NIL	Leasehold Land & Property	NIL	NIL
		NIL	NIL
	SECURED CREDITORS		
(69,333.00)	Barclays Bank PLC	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	3.71	3.71
794.00	Intercompany Debtor - CTL	NIL	794.00
NIL	Prepayments	NIL	NIL
	Right Of Action	21,000.00	21,000.00
1,454.00	Stock	NIL	5,000.01
8,000.00	Tangible Fixed Assets	NIL	4,376.00
Uncertain	Website, Trading name and Online bu	NIL	5,000.00
		21,003.71	36,173.72
	COST OF REALISATIONS		
	ADS Fees	NIL	1,250.00
	Agents/Valuers Fees	NIL	3,476.40
	Bank Charges	3.71	3.71
	Insurance of Assets	168.00	168.00
	Joint Liquidators' Fees	16,649.26	16,649.26
	Legal Fees - Geldards	5,000.00	5,000.00
	Legal fees - Leases	867.00	867.00
	Legal Fees - PayPal	250.00	250.00
	Pension Advisors	NIL	600.00
	Pre-Appointment Fees	NIL	7,500.00
	Specific Bond	48.00	48.00
	Statutory Advertising	240.00	240.00
	Storage Costs	112.14	121.35
		(23,338.11)	(36,173.72)
	PREFERENTIAL CREDITORS		
(5,806.00)	Employee Holiday Pay Arrears	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(85,020.00)	Barclays - CBILS and Bank Overdraft	NIL	NIL
(55,313.00)	Cereal Killer International Ltd	NIL	NIL
(10,529.00)	Directors' Loan Accounts	NIL	NIL
(11,925.00)	Funding Circle Loan	NIL	NIL
(47,022.00)	HMRC - CT, PAYE and VAT	NIL	NIL
(3,215.00)	Pensions Payable	NIL	NIL
(6,170.00)	PILON and Redundancy Pay	NIL	NIL
(6,970.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(291,155.00)		(2,334.40)	0.00
	REPRESENTED BY		
			NIL



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Dean Anthony Nelson  
Joint Liquidator

FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
**IN CREDITORS' VOLUNTARY LIQUIDATION**

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APPENDIX III

DETAILED LIST OF WORK UNDERTAKEN DURING THE FINAL PERIOD AND WHOLE PERIOD

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**FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
IN CREDITORS' VOLUNTARY LIQUIDATION**

Below is detailed information about the tasks undertaken by the Joint Liquidators during the Whole Period.

The tasks highlighted in red have also been undertaken during the Final Period.

General Description	Includes
Statutory and General Administration	
Statutory/Advertising	Filing of documents to meet statutory requirements including annual receipts and payments accounts Requesting pre-appointment corporation tax clearance Requesting corporation tax clearance to 13 July 2021 Requesting corporation tax clearance for the Final Period VAT returns (as appropriate) Advertising in accordance with statutory requirements Quarterly review of Specific Bond, taking into account the value of the assets realised
Document Maintenance/File Review/Checklist	Filing of documents Periodic file reviews documenting strategy Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank Account Administration/Cashiering	Preparing correspondence opening accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments Cheque requisitions/Journals/Daily Bank Postings/Deposit Vouchers
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Books and Records/Storage	Dealing with records in storage
Pension Scheme	Identifying whether there is a pension scheme Submitting the relevant notices if a pension scheme is identified Instructing agents to wind up any pension scheme Liaising and providing information to be able to finalise winding up the pension scheme
Reports	Circulating initial report to creditors upon appointment Preparing Annual Progress Report to 13 July 2021 Disclosure of sales to connected parties
Closure	Review case to ensure all matters have been finalised Requesting post appointment clearances from HMRC Draft Final Account Requesting post appointment clearances from HMRC Obtain final accounts from agents solicitors and others instructed File documents with Registrar of Companies
Investigations	
SIP 2 Review	Collection and making an inventory of Company books and records Correspondence to request information on the Company's dealings Reviewing questionnaires submitted by Directors Reviewing the Company's books and records

**FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
IN CREDITORS' VOLUNTARY LIQUIDATION**

General Description	Includes
	<p>Review of specific transactions and liaising with Directors regarding certain transactions</p> <p>Pursuing the statement from PayPal, with the assistance of Excello</p> <p>Extensively pursuing the statements from PayPal and making a decision to discontinue the work in this respect.</p>
Statutory Reporting on Conduct of Directors	<p>Preparing statutory investigation reports</p> <p>Liaising with Insolvency Service</p> <p>Submission of report with the Insolvency Service</p>
Litigation / Recoveries	<p>Preparing and circulating letters to the beneficiaries of transactions requesting either repayment or explanations of the transactions</p> <p>Reviewing evidence and explanations provided by the relevant parties</p> <p>Instructing Geldards to review the information and reviewing further information submitted</p> <p>Liaising with Geldards regarding potential recovery actions</p> <p>Extensively liaising with Geldards in relation to the recovery of the potential preference transactions</p> <p>Obtain Geldards advice from Geldards in relation to full and final settlement offers from the third party in question</p> <p>Request statement of means from the third party in question to assess their affordability to repay the debt owed to the Company</p> <p>Liaise with Manolete to establish as to whether they are interested in purchasing or funding the right of action</p> <p>Assessing Manolete's offer</p> <p>Making counter offers to the third party via Geldards</p> <p>Accepting offer from third party for full and final settlement of the debt</p> <p>Approving Geldards letter to claimant confirming no further action to be taken</p> <p>Remittance of funds from third party's solicitors</p>
Realisation of Assets	
Chattels	<p>Liaising with JPS regarding collection of the Chattels from the Company's Premises</p> <p>Obtaining updates from JPS with regards to the sale of the Company's Chattels</p> <p>Obtaining remittance of the balance of the sale proceeds (less JPS' costs)</p>
Leasehold Property	<p>Liaising with JPS regarding the value of the leasehold interest in the Property</p> <p>Instructing SP to assist with the disclaiming of the Property and the premises at Camden</p> <p>Signing and submission of the disclaimer documents to all the relevant parties</p>
Intercompany Debtor - CTL	<p>Review the intercompany debt due from CTL</p> <p>Request repayment of the intercompany debt</p> <p>Remittance of the intercompany debt</p>
Leasing	<p>Reviewing leasing documents and liaising with JPS regarding the collection of the leased assets</p>
Stock	<p>Reviewing and considering the offer made by Alan Keery for the Company's stock</p> <p>Obtaining JPS' recommendation in respect of the offer made</p> <p>Acceptance of the offer</p> <p>Raising an invoice for the sale of the stock</p> <p>Collecting deferred consideration from Alan Keery</p>
Website, Trading Name and Online Business	<p>Reviewing and considering the offer made by Alan Keery for the Company's website, trading name and online business</p> <p>Obtaining JPS' recommendation in respect of the offer made</p>

FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
IN CREDITORS' VOLUNTARY LIQUIDATION

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General Description	Includes
	Acceptance of the offer Raising an invoice for the sale of the website, trading name and online business Collecting deferred consideration from Alan Keery
Prepayments	Review the Company's prepayments to assess recoverability
Insurance	Instructing insurance brokers to insure the Company's Chattels
Creditors and Distributions	
Creditor Communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via email and post Assisting employees to pursue claims via the RPS Submission of RP15 in respect of the Company's outstanding pension contributions
Dealing with PODs	Receipting and filing POD when not related to a dividend
Processing PODs	Preparation of correspondence to potential creditors inviting submission of POD Receipt of POD Request further information from claimants regarding POD

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FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
**IN CREDITORS' VOLUNTARY LIQUIDATION**

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TIME COST INFORMATION FOR THE FINAL PERIOD AND WHOLE PERIOD

APPENDIX IV

Cereal Killer Café Limited

TIME COST SUMMARY FOR THE PERIOD 14 July 2021 to 5 May 2022

SIP9 SubCategory / Staff Grade	Partner	Director	Manager	Senior Ad'or	Ad'or	Junior Ad'or	Cashier	Other	Total Hours	Charge	AvgRate
Administration and planning (Includes; Cashiering & Statutory Reporting)	1.40	9.10	0.30	23.20	17.85	4.50	4.05	3.28	63.68	10,420.75	163.63
Creditors (Includes Employees)	0.60	1.20	-	0.50	-	-	-	-	2.30	599.00	260.43
Investigations	1.90	8.90	-	15.20	-	-	-	-	26.00	5,664.00	217.85
Realisation of assets	-	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-	-
Total	3.90	19.20	0.30	38.90	17.85	4.50	4.05	3.28	91.98	16,683.75	181.38
Total Charge	1,384.50	4,902.00	58.00	7,001.00	2,320.50	351.25	368.50	298.00	16,683.75		

Cereal Killer Café Limited

TIME COST SUMMARY FOR THE PERIOD 14 July 2020 to 5 May 2022

SIP9 SubCategory / Staff Grade	Partner	Director	Manager	Senior Ad'or	Ad'or	Junior Ad'or	Cashier	Other	Total Hours	Charge	AvgRate
Administration and planning (Includes; Cashiering & Statutory Reporting)	5.85	24.50	0.70	58.00	20.57	10.75	17.20	12.70	150.27	23,437.92	155.98
Creditors (Includes Employees)	1.30	4.30	-	7.00	-	-	-	-	12.60	2,483.00	197.06
Investigations	4.50	16.10	-	45.30	-	-	-	-	65.90	12,336.00	187.19
Realisation of assets	0.50	7.30	-	13.80	-	-	-	-	21.60	3,833.00	177.45
Trading	-	-	-	-	-	-	-	-	-	-	-
Total	<u>12.15</u>	<u>52.20</u>	<u>0.70</u>	<u>124.10</u>	<u>20.57</u>	<u>10.75</u>	<u>17.20</u>	<u>12.70</u>	<u>250.37</u>	<u>42,089.92</u>	<u>168.11</u>
Total Charge	<u>4,313.25</u>	<u>13,317.00</u>	<u>134.00</u>	<u>18,077.00</u>	<u>2,701.17</u>	<u>850.00</u>	<u>1,552.00</u>	<u>1,145.50</u>	<u>42,089.92</u>		

FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
**IN CREDITORS' VOLUNTARY LIQUIDATION**

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APPENDIX V

TIME COSTS SUMMARY FOR THE FINAL PERIOD, WHOLE PERIOD & COMPARISON WITH  
ESTIMATE

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FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
IN CREDITORS' VOLUNTARY LIQUIDATION

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	Original Fees Estimate			Actual Time Costs Incurred During the Final Period			Actual Time Costs Incurred During the Whole Period		
Work Category	Number of Hours	Blended Hourly Rate £ Per Hour	Total Fees £	Number of Hours	Average Hourly Rate £ Per Hour	Total Time Costs £	Number of Hours	Average Hourly Rate £ Per Hour	Total Time Costs £
Administration (including Statutory Reporting and Cashiering)	88.8	167.91	14,910.50	63.7	163.63	10,420.75	150.3	155.98	23,437.92
Realisation of Assets	36.5	201.71	7,362.50	-	-	-	21.3	176.36	3,756.50
Creditors (includes Employees)	26.5	164.60	4,362.00	2.3	260.43	599.00	12.6	197.06	2,483.00
Investigations	24.9	181.69	4,524.00	26.0	217.85	5,664.00	66.2	187.50	12,412.50
Total	176.7	176.34	31,159.00	92.0	181.38	16,683.75	250.4	168.11	42,089.92

FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
**IN CREDITORS' VOLUNTARY LIQUIDATION**

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APPENDIX VI

EXPENSES SUMMARY FOR THE FINAL PERIOD, WHOLE PERIOD & COMPARISON WITH  
ESTIMATE

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**FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
IN CREDITORS' VOLUNTARY LIQUIDATION**

Below are details of the Joint Liquidators' expenses for the Final Period and Whole Period.

Expenses	Original Expenses Estimate  £	Actual Expenses Incurred (But Not Necessarily Paid) in the Final Period £	Actual Expenses incurred (But Not Necessarily Paid) in the Whole Period £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Category 1 Expenses				
Specific Bond	162	-	48	
Statutory Advertising	240	-	240	
Storage Costs	1,000	112	121	
Redirection of Mail	216	-	-	
Agents' Fees (Chattels and Stock)	5,000	-	3,476	
Agents' Fees (Leasehold Property)	2,000	-	-	
Legal Fees - SP	3,000		867	
Legal Fees - Excello		-	250	
Legal Fees – Geldards		5,000	5,000	It was not initially anticipated that the Joint Liquidators would require legal advice in relation to investigative matters.  Geldards assisted extensively in advising in relation to the preferences, as well as agreeing the settlement for the right of action.
Pension Advisors	1,000	-	600	
Insurance of Assets	-	-	168	It was not initially anticipated that insurance cover would be required, and that it would be covered under JPS' insurance policy.  However, it was necessary to insure the assets, as there was a short delay in collecting the assets from the premises due to the Covid-19 pandemic.
Bank Charges	-	4	4	It was not initially anticipated that any bank charges would be incurred in the Liquidation.
Total	12,618	5,116	10,774	
Category 2 Expenses				
VAT Advisors (PKF Smith Cooper)	500	-	-	Please be advised that payment of these expenses now requires

FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
**IN CREDITORS' VOLUNTARY LIQUIDATION**

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Expenses	Original Expenses Estimate  £	Actual Expenses Incurred (But Not Necessarily Paid) in the Final Period £	Actual Expenses incurred (But Not Necessarily Paid) in the Whole Period £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Tax Advisors (PKF Smith Cooper)	500	-	-	specific approval from 1 April 2021. However, no fees in this respect have been incurred.
Total	1,000	-	-	

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FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
**IN CREDITORS' VOLUNTARY LIQUIDATION**

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**JOINT LIQUIDATORS' CHARGE-OUT RATE & DISBURSEMENTS POLICY**

APPENDIX VII

## INFORMATION FOR CREDITORS IN RELATION TO FEES AND DISBURSEMENTS

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W	smithcooper.co.uk
F	01332 650290

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VAT	123354934
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### INFORMATION RELEVANT AT 1 APRIL 2017

#### General information to creditors regarding insolvency matters

Creditors wishing to understand or find out more information in relation to this or any other type of insolvency process may visit the website:

<http://www.creditorinsolvencyguide.co.uk/>

This website is a step-by-step guide designed to help creditors navigate their way through an insolvency process and has been produced by R3, the UK insolvency trade body.

A creditors' guide to the fees payable in an insolvency process and the process an insolvency practitioner is required to adopt for seeking approval of his or her fees may be acquired from the following website:

<https://www.r3.org.uk/what-we-do/publications/professional/fees>

If any party is unable to obtain a copy of either of the above guides, please contact the individual referred to below who will furnish you with a copy, free of charge:

- Contact – Emily Oliver
- Telephone – 01332 332021
- Email – [creditor.correspondence@smithcooper.co.uk](mailto:creditor.correspondence@smithcooper.co.uk)
- Post – St Helen's House, King Street, Derby, DE1 3EE

**Sent from: Smith Cooper, St Helen's House, King Street, Derby DE1 3EE**

Smith Cooper is the trading name of SC Advisory Services Limited, a company registered in England. Registered number: 7678255  
Registered Office: St Helen's House, King Street, Derby DE1 3EE  
A list of directors is available for inspection at the above address.



Dean Anthony Nelson, Nicholas Charles Osborn Lee, Andrew Paul Stevens and Michael Paul Roome are licensed in the United Kingdom to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. They are all bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment, which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>. When acting as Receiver, Administrative Receiver or Administrator they act as agent only, without personal liability and when acting as Administrator, the affairs, business and property of the company are being managed by them.

Regulated by the Institute of Chartered Accountants in England & Wales for a range of investment business activities.

When taking appointments, the firm's licensed Insolvency Practitioners are Data Controllers of personal data as defined by the Data Protection Act 1998 and the General Data Protection Regulations 2018. Smith Cooper will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the appointments which they take. For further details see the firm's privacy policy.

### Information specific to Smith Cooper

Grade	Charge out rate (£ per hour)
Partner	355
Director	255
Manager	190
Assistant Manager	190
Senior Insolvency Administrator	165
Administrator	130
Junior Administrator	90
Cashier	90
Other	60
Time costs are calculated using 6 minute units.	

The Office Holder does not recover the costs of support staff other than where their time is specifically incurred and can be identified in dealing with work undertaken on a specific engagement.

### Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

### Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1, being expenses directly referable to a third party, eg statutory advertising, external meeting room hire, specific bond insurance and courier costs, external archive, storage and subsequent destruction and Company Search fees, or Category 2, being expenses incurred by the firm and recharged to the estate, which may include a profit element, eg postage, stationery and storage.

Category 1 disbursements are recoverable in full from the estate without the prior approval of creditors. Category 2 disbursements are recoverable in full from the estate, subject to the basis of the disbursement allocation being approved by creditors in advance.

Category 2 disbursements are proposed to be recovered, subject to obtaining the requisite approval, as follows:-

Postage	Charged at actual cost (first class)
Photocopying	Recharged at 17p per sheet
Storage	Charged at cost
Room Hire	£50 per meeting held Smith Cooper offices
Archiving case files & closure	Recharged at £42.70 per box
Archiving records & closure	Recharged at £9.55 per box
Mileage	45p per mile

# Information for creditors in relation to fees, expenses and disbursements as of 1 April 2021

## General information for creditors regarding insolvency matters

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A creditors' guide to the fees payable in an insolvency process and the process an insolvency practitioner is required to adopt for seeking approval of his or her fees may be acquired from the following website:

**<https://www.r3.org.uk/what-we-do/publications/professional/fees>**

If any party is unable to obtain a copy of either of the above guides, please contact the individual referred to below who will furnish you with a copy, free of charge:

- **Contact** – Anita Godson
- **Telephone** – 01332 332021
- **Email** – [creditor.correspondence@pkfsmithcooper.com](mailto:creditor.correspondence@pkfsmithcooper.com)
- **Post** – St Helen's House, King Street, Derby, DE1 3EE

Dean Anthony Nelson, Nicholas Charles Osborn Lee, Andrew Paul Stevens and Michael Paul Roome are licensed in the United Kingdom to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. They are all bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment, which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>. When acting as Receiver, Administrative Receiver or Administrator they act as agent only, without personal liability and when acting as Administrator, the affairs, business and property of the company are being managed by them. Regulated by the Institute of Chartered Accountants in England & Wales for a range of investment business activities. When taking appointments, the firm's licensed Insolvency Practitioners are Data Controllers of personal data as defined by the Data Protection Act 1998 and the General Data Protection Regulations 2018. PKF Smith Cooper will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the appointments which they take. For further details see the firm's privacy policy which can be accessed on our website using the following link <https://www.pkfsmithcooper.com/bri-privacy-notice/>

## Information specific to PKF Smith Cooper

Grade	Charge out rate (£ per hour)
Partner	355
Director	255
Senior Manager/Manager	190
Assistant Manager	190
Senior Insolvency Administrator	165
Administrator	130
Junior Administrator	90
Cashier	90
Other	60

Time costs are calculated using 6-minute units.

The Office Holder does not recover the costs of support staff other than where their time is specifically incurred and can be identified in dealing with work undertaken on a specific engagement.

## Expenses

In accordance with Statement of Insolvency Practice 9 (SIP9) expenses are any payments from the estate outside of the office holder's remuneration or distributions to creditors or members.

Expenses are divided into two categories:-

- Category 1 expenses are payments to an independent third party for costs which are directly referable to the engagement. Category 1 expenses can be paid without prior approval. Examples may include statutory advertising, specific bond insurance, external room hire and storage costs.
- Category 2 expenses are payments to associates or which have an element of shared costs. Category 2 expenses may be drawn if they have been approved in the same manner as office holder's remuneration. This includes mileage which is charged at 45p per mile.

Expenses also include disbursements, which are costs paid for by the office holder's firm initially but subsequently recharged to the estate, with the office holder's firm being reimbursed.

# Information for creditors in relation to fees, expenses and disbursements as of 1 April 2022

## General information for creditors regarding insolvency matters

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Creditors wishing to understand or find out more information in relation to this or any other type of insolvency process may visit the website here:

<http://www.creditorinsolvencyguide.co.uk/>

This website is a step-by-step guide designed to help creditors navigate their way through an insolvency process and has been produced by R3, the UK insolvency trade body.

A creditors' guide to the fees payable in an insolvency process and the process an insolvency practitioner is required to adopt for seeking approval of his or her fees may be acquired from the following website:

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- Contact – Anita Godson
- Telephone – 01332 332021
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## Information specific to PKF Smith Cooper

Grade	Charge out rate (£ per hour)
Partner	375
Director	270
Senior Manager	210
Manager	200
Assistant Manager	190
Senior Insolvency Administrator	175
Administrator	140
Junior Administrator	95
Cashier	95
Other	65

Time costs are calculated using 6-minute units.

The Office Holder does not recover the costs of support staff other than where their time is specifically incurred and can be identified in dealing with work undertaken on a specific engagement.

## Expenses

In accordance with Statement of Insolvency Practice 9 (SIP9) expenses are any payments from the estate outside of the office holder's remuneration or distributions to creditors or members.

Expenses are divided into two categories:-

- Category 1 expenses are payments to an independent third party for costs which are directly referable to the engagement. Category 1 expenses can be paid without prior approval. Examples may include statutory advertising, specific bond insurance, external room hire and storage costs.
- Category 2 expenses are payments to associates or which have an element of shared costs. Category 2 expenses may be drawn if they have been approved in the same manner as office holder's remuneration. This includes mileage which is charged at 45p per mile.

Expenses also include disbursements, which are costs paid for by the office holder's firm initially but subsequently recharged to the estate, with the office holder's firm being reimbursed.

FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
**IN CREDITORS' VOLUNTARY LIQUIDATION**

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NOTICE OF NO DIVIDEND

APPENDIX VIII

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## NOTICE OF NO DIVIDEND


Company Name: **Cereal Killer Cafe Limited (In Liquidation) ("the Company")**  
Company Number: 08777318

This Notice is given under Rule 14.36 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Liquidator of the Company, Dean Anthony Nelson, of PKF Smith Cooper, St Helen's House, King Street, Derby, DE1 3EE (telephone number: 01332 332021), who was appointed by the members and creditors.

The Joint Liquidator gives notice confirming that no dividend will be declared in the Liquidation of the Company.

The funds realised have already been distributed or used or allocated for paying the expenses of the Liquidation.

The Joint Liquidator will now proceed to conclude the Liquidation and therefore any claims against the assets of the Company are required to be established by 8 July 2022.

Signed:   
D A Nelson  
Joint Liquidator

Dated: 1 June 2022

FINAL ACCOUNT FOR CEREAL KILLER CAFÉ LIMITED  
IN CREDITORS' VOLUNTARY LIQUIDATION

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NOTICE THAT THE COMPANY'S AFFAIRS ARE FULLY WOUND UP

APPENDIX IX

## NOTICE THAT THE COMPANY'S AFFAIRS ARE FULLY WOUND UP

Company Name: **Cereal Killer Cafe Limited (In Liquidation) ("the Company")**  
Company Number: 08777318

This Notice is given under Rule 6.28 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Liquidator of the Company, Dean Anthony Nelson, of PKF Smith Cooper St Helens House, King Street, Derby, DE1 3EE (telephone number: 01332 332021), who was appointed by the members and creditors.

The Joint Liquidator gives notice that the Company's affairs are fully wound up.

Creditors have the right:

- (i) to request information from the Joint Liquidator under Rule 18.9 of the Rules;
- (ii) to challenge the Joint Liquidator's remuneration and expenses under Rule 18.34 of the Rules; and
- (iii) to object to the release of the Joint Liquidators by giving notice in writing below before the end of the prescribed period to:


Dean Anthony Nelson  
PKF Smith Cooper  
St Helens House, King Street, Derby, DE1 3EE

The prescribed period ends at the later of: (i) eight weeks after delivery of this notice, or (ii) if any request for information under Rule 18.9 of the Rules or any application to court under that Rule or Rule 18.34 of the Rules is made, when that request or application is finally determined.

The Joint Liquidators will vacate office under Section 171 of the Insolvency Act 1986 ("the Act") on delivering to the Registrar of Companies the final account and notice saying whether any creditor has objected to release.

The Joint Liquidators will be released under Section 173 of the Act at the same time as vacating office unless any of the Company's creditors objected to release.

Relevant extracts of the Rules referred to above are provided overleaf.

Signed:   
\_\_\_\_\_  
D A Nelson  
Joint Liquidator

Dated: 1 June 2022

RELEVANT EXTRACTS OF RULES 18.9 AND 18.34 OF  
THE INSOLVENCY (ENGLAND & WALES) RULES 2016

Rule 18.9

- (1) The following may make a written request to the office-holder for further information about remuneration or expenses set out in a final report under rule 18.14:
- a secured creditor;
  - an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question); or
  - any unsecured creditor with the permission of the court.
- (2) A request or an application to the court for permission by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one creditor.

Rule 18.34

- (1) This rule applies to an application in a winding-up made by a person mentioned in paragraph (2) on the grounds that:
- the remuneration charged by the office-holder is in all the circumstances excessive;
  - the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
  - the expenses incurred by the office-holder are in all the circumstances excessive.
- (2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable:
- a secured creditor; or
  - an unsecured creditor with either
    - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
    - (ii) the permission of the court.
- (3) The application by a creditor must be made no later than eight weeks after receipt by the applicant of the final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question.