

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number 0 8 7 7 7 3 1 8

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 D E 1 3 E E

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 D E 1 3 E E

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

| | | | | | | | | |
|-----------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| From date | ^d 1 | ^d 4 | ^m 0 | ^m 7 | ^y 2 | ^y 0 | ^y 2 | ^y 0 |
| To date | ^d 1 | ^d 3 | ^m 0 | ^m 7 | ^y 2 | ^y 0 | ^y 2 | ^y 1 |

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

| | | | | | | | |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| ^d 0 | ^d 7 | ^m 0 | ^m 9 | ^y 2 | ^y 0 | ^y 2 | ^y 1 |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|

**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 **Natalie Elliott**

Company name **Smith Cooper**

Address **St Helen's House**

King Street

Post town **Derby**

County/Region

Postcode

D E 1 3 E E

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 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

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

| Statement of Affairs £ | | From 14/07/2020 To 13/07/2021 £ | From 14/07/2020 To 13/07/2021 £ |
|------------------------------|-------------------------------------|---------------------------------------|---------------------------------------|
| | SECURED ASSETS | | |
| NIL | Leasehold Land & Property | NIL | NIL |
| | | NIL | NIL |
| | SECURED CREDITORS | | |
| (69,333.00) | Barclays Bank PLC | NIL | NIL |
| | | NIL | NIL |
| | ASSET REALISATIONS | | |
| 794.00 | Intercompany Debtor - CTL | 794.00 | 794.00 |
| NIL | Prepayments | NIL | NIL |
| 1,454.00 | Stock | 5,000.01 | 5,000.01 |
| 8,000.00 | Tangible Fixed Assets | 4,376.00 | 4,376.00 |
| Uncertain | Website, Trading name and Online bu | 5,000.00 | 5,000.00 |
| | | 15,170.01 | 15,170.01 |
| | COST OF REALISATIONS | | |
| | ADS Fees | 1,250.00 | 1,250.00 |
| | Agents/Valuers Fees | 3,476.40 | 3,476.40 |
| | Pension Advisors | 600.00 | 600.00 |
| | Pre-Appointment Fees | 7,500.00 | 7,500.00 |
| | Storage Costs | 9.21 | 9.21 |
| | | (12,835.61) | (12,835.61) |
| | 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 | 2,334.40 |
| | REPRESENTED BY | | |
| | Floating Charge Account | | 2,332.55 |
| | Vat Receivable | | 1.85 |
| | | | 2,334.40 |



Dean Anthony Nelson
Joint Liquidator

THE JOINT LIQUIDATORS' ANNUAL PROGRESS REPORT TO 13 JULY 2021
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

| | |
|----------------------------|--|
| “Act” | Insolvency Act 1986 |
| “ADS” | ADS Accountancy Limited |
| “Barclays” | Barclays Bank Plc |
| “CBILS” | Coronavirus Business Interruption Loan Scheme |
| “Chattels” | Plant & Equipment, Computer Equipment and Shop Fittings |
| “CIS” | Construction Industry Scheme |
| “Clumber” | Clumber Consultancy Limited |
| “Company” | Cereal Killer Café Limited – in Liquidation |
| “CT” | Corporation Tax |
| “CTL” | Cornflake Twins Limited, a company associated by virtue of common directorship |
| “DLA” | Director's Loan Account |
| “EOS” | Estimated Outcome Statement as at 13 July 2021 |
| “Excello” | Excello Law Limited |
| “Firm” | PKF SC Advisory Services Limited T/A PKF Smith Cooper |
| “Geldards” | Geldards LLP |
| “HMRC” | HM Revenue and Customs |
| “Joint Liquidators” | Dean Anthony Nelson and Nicholas Charles Osborn Lee of the Firm |
| “JPS” | John Pye and Sons Limited |
| “NIC” | National Insurance Contributions |
| “PAYE” | Pay As You Earn |
| “PayPal” | PayPal (UK) Limited |
| “PILON” | Pay in Lieu of Notice |
| “POD” | Proof of Debt |
| “PP” | Prescribed Part |
| “Property” | The premises at 192a Brick Lane, London, E1 6SA |
| “R&P” | Receipts and Payments Account to 13 July 2021 |
| “Review Period” | Period covering 14 July 2020 to 13 July 2021 |
| “RPS” | Redundancy Payments Services |
| “Rules” | Insolvency (England & Wales) Rules 2016 |
| “SP” | Smiths (Solicitors) LLP T/A Smith Partnership |
| “SoA” | Statement of Affairs as at 10 July 2018 |
| “SIP” | Statement of Insolvency Practice |
| “VAT” | Value Added Tax |

Content

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 - VI. Time Costs Summary For the Review Period & Comparison with Estimate
 - VII. Expenses Summary For the Review Period & Comparison with Estimate
 - VIII. Joint Liquidators' Charge Out Rates & Disbursements Policy
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ANNUAL PROGRESS REPORT 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 (£) | Realisations to Date (£) | Anticipated Future Realisations (£) | Total Anticipated Realisations (£) |
|---|----------------------------------|--------------------------|-------------------------------------|------------------------------------|
| Assets Specifically Pledged | | | | |
| Leasehold Property | - | - | - | - |
| Assets Not Specifically Pledged | | | | |
| Chattel Assets | 8,000 | 4,376 | - | 4,376 |
| Stock | 1,454 | 5,000 | - | 5,000 |
| Website, Trading Name and Online Business | Uncertain | 5,000 | - | 5,000 |
| Intercompany Debtor – CTL | 794 | 794 | - | 794 |
| Prepayments | - | - | - | - |
| Total | 10,248 | 15,170 | - | 15,170 |

1.2 Expenses

| Expense | Amount Per Fees and Expenses Estimates (£) | Expense Incurred (But Not Necessarily Paid) To Date (£) | Anticipated Further Expense to Closure (£) | Total Anticipated Expense (£) |
|-----------------------------------|--|---|--|-------------------------------|
| Joint Liquidators' Fees | 31,159 | 25,406 | 7,000 | 32,406 |
| 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 | 9 | 50 | 59 |
| 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 | | - | 500 | 500 |
| Pension Advisors | 1,000 | 600 | - | 600 |
| Postage (Category 1) | - | - | 100 | 100 |
| Insurance of Assets | - | 168 | - | 168 |
| VAT Advisors (the Firm) | 500 | - | - | - |
| Tax Advisors (the Firm) | 500 | - | - | - |
| Total | 53,527 | 39,814 | 7,650 | 47,464 |

1.3 Dividend Prospects

| Creditor Class | Distribution / Dividend Paid to Date | Anticipated Distribution / Dividend, Based Upon Current Information |
|----------------------------------|--------------------------------------|---|
| Secured Creditor | - | - |
| Preferential Creditors | - | - |
| Secondary Preferential Creditors | N/A | N/A |
| Unsecured Creditors | - | - |

1.4 Summary of Key Issues Outstanding

- The finalisation of the Joint Liquidators investigations, with the assistance of Geldards and Excello (as detailed in section 3);
- The finalisation of the closure of the Company's pension scheme;
- The finalisation of the Company's tax affairs, and obtaining final tax clearances from HMRC; and
- The issuing of the Joint Liquidators' final report to members and creditors.

1.5 Closure

Based on current information, it is anticipated that the Liquidation will be concluded within the next 12 months.

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 IV.

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 Review Period, the following key documents have been issued:

- The report on the creditors' S100 decision.

2.2 Other Administration Tasks

During the Review 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;
 - 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;
-

- Maintaining and updating the estate cash book and bank accounts, including bank reconciliations and processing receipts and payments; and
- Requesting pre-appointment CT clearance from HMRC.

3. ENQUIRIES AND INVESTIGATIONS

During the Review Period, 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. This report was submitted 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; and
- A potential overdrawn DLA.

The Joint Liquidators, with the assistance and advice from Geldards, are currently seeking further explanations from the Directors in respect of the potential preferences, to establish whether there are any potential rights of action to pursue in this respect.

During the Review Period, the Director whose DLA was allegedly overdrawn, has provided the Joint Liquidators with substantive evidence, to prove that they were in fact a creditor of the Company. There is therefore no further action to take in this respect.

In addition, the Company operated an account with PayPal. During the Review Period, the Joint Liquidators have been attempting to obtain the relevant statements from PayPal, with the assistance of Excello. However, PayPal are yet to send the requested statements.

The Joint Liquidators will continue to pursue the statements, to enable the conclusion of their investigations.

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 IV. 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.

Upon the appointment of the Joint Liquidators, the Company's Director, Alan Keery, expressed an interest in 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 a Director and Shareholder of the Company.

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 Review Period.

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.£75k 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 Review Period, the Joint Liquidators have disclaimed their interest in the Property, with the assistance of SP.

There will therefore be no realisations in this respect.

4.3 Chattels

The following table details the realisations made in respect of the Company's Chattels, during the Review Period.

| Book Value | Estimated to Realise per the SoA | Realised During the Review Period | Future Anticipated 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.

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 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.

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

| Book Value | Estimated to Realise per the SoA | Realised During the Review Period | Future Anticipated 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 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 Review Period.

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 | Realised During the Review Period | Future Anticipated 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 Review Period.

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.

During the Review Period, the Joint Liquidators have reviewed the position of the intercompany debtor, and requested that this amount be repaid to the Liquidation estate.

This balance has been received in full during the Review Period, and there will no further realisations in that 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 will be made 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 IV. The following sections explain the anticipated 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 of which was approximately c.£130k, excluding charges and accruing interest. The Joint Liquidators do not anticipate having sufficient funds available to enable any dividend distribution to Barclays under its fixed charge.

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.

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 to date.

In addition, unpaid pension contributions of c.£0.4k are expected to rank preferentially. A form RP15 has been submitted by the Joint Liquidators to the RPS in this respect.

Based on current information, the Joint Liquidators do not anticipate having sufficient 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
- 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 Review 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> |

Please be advised that PODs are still being received and therefore the total value of unsecured claims is not known at present.

5.5 Dividend Prospects

Based on current information, the Joint Liquidators do not anticipate having sufficient 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 the Review Period, further reviews have been carried out and no threats have been 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 Liquidator is 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 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.

A payment of £1.25k plus VAT from this fee was paid to ADS for their assistance with preparing accounts in connection with the SoA.

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 Review Period total c.£25.4k, representing c.158 hours at an average hourly rate of c.£160. No fees have been drawn against the time costs incurred.

The time costs for the Review Period are detailed at Appendix V and a comparison between the original estimate and time costs to date is given at Appendix VI.

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 is likely to be exceeded and the original expenses estimate is unlikely to be exceeded.

The main reasons why the fees estimate is likely to be exceeded is due to the following:

- The Joint Liquidators will incur additional time costs in adhering to their statutory duties, as a result of the case being kept open longer than initially anticipated.
- The Joint Liquidators have incurred additional time costs in finalising their investigations. It was not anticipated that the Joint Liquidators initial assessment would reveal matters that required further investigations.

However, given the limited realisations in this case to date, the Joint Liquidators do not propose to draw fees in excess of the fees estimate at present. The Joint Liquidators will review the position as regards fees when the prospects of realising the outcome of their investigations become clearer.

7.3 Expenses

An amended 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, but not necessarily paid, during the Review Period are detailed on Appendix VII (and those paid at Appendix II). Also included in Appendix VII 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 are likely to exceed that estimate.

The Category 1 expenses incurred in the Review Period total c.£5.7k plus VAT are detailed at Appendix VII (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 during the Review Period. 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 VIII.

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

A copy of 'Liquidation: A Guide for Creditors on Insolvency Practitioner Fees' may be found at: <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>.

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.

Both the Firm's charge-out rate and disbursement policies can be found at Appendix VIII.

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 Review 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 Review Period.

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.£0.8k plus VAT. SP's fees for the Review Period amount to c.£0.8k plus VAT.

These fees have been paid by the Firm, and will be repaid by the Liquidation estate shortly.

It is not anticipated that any further fees will be incurred 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 matters requiring further investigation.

The basis of their fees has not yet been agreed, and this will be done on the conclusion of the investigations.

However, for the purpose of this report, a provision of £0.5k has been made in respect of future fees.

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 not been paid during the Review Period, however, payment will be made shortly.

It is not anticipated that any further fees will be incurred 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 Review Period, fees of £0.6k plus VAT have been incurred and paid.

There will be no further fees incurred in this respect.

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

The administration of the case will be continuing to finalise the following outstanding matters that are preventing this case from being closed:

- The finalisation of the Joint Liquidators investigations, with the assistance of Geldards (as detailed in section 3);
- The finalisation of the closure of the Company's pension scheme;
- The finalisation of the Company's tax affairs, and obtaining final tax clearances from HMRC; and
- The issuing of the Joint Liquidators' final report to members and creditors.

A copy of the Firm's privacy notice can be found at <https://www.pkfsmithcooper.com/bri-privacy-notice/>.

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

Signed



D A Nelson
Joint Liquidator
6 September 2021

ANNUAL PROGRESS REPORT FOR CEREAL KILLER CAFÉ LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

APPENDIX I

STATUTORY INFORMATION

ANNUAL PROGRESS REPORT FOR CEREAL KILLER CAFÉ LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

| | | |
|--------------------------------|---|----------|
| 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 Mezz 2 Camden Stables Market, Chalkfarm Road, NW1 8AH | |
| Office Holders | Dean Anthony Nelson and Nicholas Charles Osborn Lee | |
| Office Holders' Address | PKF Smith Cooper, St Helen's House, King Street, Derby, DE1 3EE 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 | |
| Name of Shareholder | Shares Held | |
| Alan Keery | 50 Ordinary Shares | |
| Gary Keery | 50 Ordinary Shares | |

ANNUAL PROGRESS REPORT FOR CEREAL KILLER CAFÉ LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

| | |
|--------------------------------------|--|
| Names and company numbers of parent, | Cereal Killer International Limited (09547544) |
| subsidiary and associated companies | Cornflake Twins Limited (09547580) |
| | The Keery Twins Limited (11046079) – Dissolved on 5 March 2019 |

JOINT LIQUIDATORS' R&P

APPENDIX II

Cereal Killer Cafe Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 13/07/2021

| S of A £ | | £ | £ |
|--------------|-------------------------------------|----------|-------------|
| | SECURED ASSETS | | |
| NIL | Leasehold Land & Property | NIL | NIL |
| | SECURED CREDITORS | | |
| (69,333.00) | Barclays Bank PLC | NIL | NIL |
| | ASSET REALISATIONS | | |
| 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 | |
| NIL | Prepayments | NIL | |
| 794.00 | Intercompany Debtor - CTL | 794.00 | 15,170.01 |
| | COST OF REALISATIONS | | |
| | ADS Fees | 1,250.00 | |
| | Pre-Appointment Fees | 7,500.00 | |
| | Agents/Valuers Fees | 3,476.40 | |
| | Storage Costs | 9.21 | |
| | Pension Advisors | 600.00 | (12,835.61) |
| | PREFERENTIAL CREDITORS | | |
| (5,806.00) | Employee Holiday Pay Arrears | NIL | NIL |
| | UNSECURED CREDITORS | | |
| (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 |
| | DISTRIBUTIONS | | |
| (100.00) | Ordinary Shareholders | NIL | NIL |
| (291,155.00) | | | 2,334.40 |
| | REPRESENTED BY | | |
| | Vat Receivable | | 1.85 |
| | Floating Charge Account | | 2,332.55 |
| | | | 2,334.40 |

JOINT LIQUIDATORS' EOS

APPENDIX III

Cereal Killer Cafe Limited
(In Liquidation)
Joint Liquidators' Estimated Outcome Statement
To 13/07/2021

| Statement of Affairs £ | | Realised / Paid | Projected | Total £ |
|---------------------------|--|--------------------|-------------------|-------------|
| | SECURED ASSETS | | | |
| NIL | Leasehold Land & Property | NIL | NIL | NIL |
| | | NIL | NIL | NIL |
| | SECURED CREDITORS | | | |
| (69,333.00) | Barclays Bank PLC | NIL | NIL | NIL |
| | | NIL | NIL | NIL |
| | ASSET REALISATIONS | | | |
| 8,000.00 | Tangible Fixed Assets | 4,376.00 | NIL | 4,376.00 |
| 1,454.00 | Stock | 5,000.01 | NIL | 5,000.01 |
| Uncertain | Website, Trading name and Online busines | 5,000.00 | NIL | 5,000.00 |
| NIL | Prepayments | NIL | NIL | NIL |
| 794.00 | Intercompany Debtor - CTL | 794.00 | NIL | 794.00 |
| | | 15,170.01 | NIL | 15,170.01 |
| | COST OF REALISATIONS | | | |
| | Specific Bond | NIL | 48.00 | 48.00 |
| | ADS Fees | 1,250.00 | NIL | 1,250.00 |
| | Pre-Appointment Fees | 7,500.00 | NIL | 7,500.00 |
| | Joint Liquidators' Fees | NIL | 111.40 | 111.40 |
| | Agents/Valuers Fees | 3,476.40 | NIL | 3,476.40 |
| | Legal Fees - PayPal | NIL | 250.00 | 250.00 |
| | Legal fees - Leases | NIL | 867.00 | 867.00 |
| | Legal Fees - Geldards | NIL | 500.00 | 500.00 |
| | Postage (Category 1) | NIL | 100.00 | 100.00 |
| | Storage Costs | 9.21 | 50.00 | 59.21 |
| | Statutory Advertising | NIL | 240.00 | 240.00 |
| | Pension Advisors | 600.00 | NIL | 600.00 |
| | Insurance of Assets | NIL | 168.00 | 168.00 |
| | | (12,835.61) | (2,334.40) | (15,170.01) |
| | PREFERENTIAL CREDITORS | | | |
| (5,806.00) | Employee Holiday Pay Arrears | NIL | NIL | NIL |
| | | NIL | NIL | NIL |
| | UNSECURED CREDITORS | | | |
| (6,970.00) | Trade & Expense Creditors | NIL | NIL | NIL |
| (6,170.00) | PILON and Redundancy Pay | NIL | NIL | NIL |
| (85,020.00) | Barclays - CBILS and Bank Overdraft | NIL | NIL | NIL |
| (3,215.00) | Pensions Payable | NIL | NIL | NIL |
| (47,022.00) | HMRC - CT, PAYE and VAT | NIL | NIL | NIL |
| (10,529.00) | Directors' Loan Accounts | NIL | NIL | NIL |
| (55,313.00) | Cereal Killer International Ltd | NIL | NIL | NIL |
| (11,925.00) | Funding Circle Loan | NIL | NIL | NIL |
| | | NIL | NIL | NIL |
| | DISTRIBUTIONS | | | |
| (100.00) | Ordinary Shareholders | NIL | NIL | NIL |
| | | NIL | NIL | NIL |
| <u>(291,155.00)</u> | | <u>2,334.40</u> | <u>(2,334.40)</u> | <u>NIL</u> |

REPRESENTED BY

| | | | |
|-------------------------|-----------------|-------------------|------------|
| Vat Receivable | 1.85 | (1.85) | NIL |
| Floating Charge Account | 2,332.55 | (2,332.55) | NIL |
| | <u>2,334.40</u> | <u>(2,334.40)</u> | <u>NIL</u> |

Dean Anthony Nelson
Joint Liquidator

ANNUAL PROGRESS REPORT FOR CEREAL KILLER CAFÉ LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

DETAILED LIST OF WORK UNDERTAKEN DURING THE REVIEW PERIOD

APPENDIX IV

ANNUAL PROGRESS REPORT FOR CEREAL KILLER CAFÉ LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

Below is detailed information about the tasks undertaken by the Joint Liquidators, during the Review 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 CT clearance from HMRC Advertising in accordance with statutory requirements Bonding the case for the value of the assets |
| 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/Deposit Vouchers/Journals/Daily Bank Postings |
| 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 to the Pension Regulator, Pension Protection Fund and Pension Trustees Instructing Clumber 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 and disclosure of sales to connected parties |
| 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 Review of specific transactions and liaising with Directors regarding certain transactions Pursuing the statement from PayPal, with the assistance of Excello |
| Statutory Reporting on Conduct of Directors | Preparing statutory investigation reports Liaising with Insolvency Service Submission of report with the Insolvency Service |
| Litigation / Recoveries | Preparing and circulating letters to the beneficiaries of transactions requesting either repayment or explanations of the transactions Reviewing evidence and explanations provided by the relevant parties Instructing Geldards to review the information and reviewing further information submitted Liaising with Geldards regarding potential recovery actions |

ANNUAL PROGRESS REPORT FOR CEREAL KILLER CAFÉ LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

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

TIME COST INFORMATION FOR THE REVIEW PERIOD

APPENDIX V

APPENDIX VI

TIME COSTS SUMMARY FOR THE REVIEW PERIOD & COMPARISON WITH ESTIMATE

ANNUAL PROGRESS REPORT FOR CEREAL KILLER CAFÉ LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

| | Original Fees Estimate | | | Actual Time Costs Incurred During the Review Period | | |
|---|------------------------|--------------------------------|--------------|---|--------------------------------|--------------------|
| Work category | Number of Hours | Blended Hourly Rate £ Per Hour | Total Fees £ | Number of Hours | Average Hourly Rate £ Per Hour | Total Time Costs £ |
| Administration (including Statutory Reporting and Cashiering) | 88.8 | 167.91 | 14,910.50 | 86.58 | 150.34 | 13,017.17 |
| 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 | 10.3 | 182.91 | 1,884.00 |
| Investigations | 24.9 | 181.69 | 4,524.00 | 40.2 | 167.87 | 6,748.50 |
| Total | 176.7 | 176.34 | 31,159.00 | 158.38 | 160.41 | 25,406.17 |

APPENDIX VII

EXPENSES SUMMARY FOR THE REVIEW PERIOD & COMPARISON WITH ESTIMATE

ANNUAL PROGRESS REPORT FOR CEREAL KILLER CAFÉ LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

Below are details of the Joint Liquidators' expenses for the Review Period.

| Expenses | Original Expenses Estimate £ | Actual Expenses Incurred (But Not Necessarily Paid) in the Review 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 | 9 | |
| 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 | | - | |
| 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. |
| Total | 12,618 | 5,658 | |
| Category 2 Expenses | | | |
| VAT Advisors (PKF Smith Cooper) | 500 | - | Please be advised that payment of these expenses now requires specific approval from 1 April 2021. |
| Tax Advisors (PKF Smith Cooper) | 500 | - | However, no fees in this respect have been incurred. |
| Total | 1,000 | - | |

JOINT LIQUIDATORS' CHARGE-OUT RATE & DISBURSEMENTS POLICY

Cereal Killer Café Limited

TIME COST SUMMARY FOR THE REVIEW PERIOD

| 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) | 4.45 | 15.40 | 0.40 | 34.80 | 2.72 | 6.25 | 13.15 | 9.42 | 86.58 | 13,017.17 | 150.34 |
| Creditors (Includes Employees) | 0.70 | 3.10 | - | 6.50 | - | - | - | - | 10.30 | 1,884.00 | 182.91 |
| Investigations | 2.60 | 7.50 | - | 30.10 | - | - | - | - | 40.20 | 6,748.50 | 167.87 |
| Realisation of assets | 0.50 | 7.00 | - | 13.80 | - | - | - | - | 21.30 | 3,756.50 | 176.36 |
| Trading | - | - | - | - | - | - | - | - | - | - | - |
| Total | 8.25 | 33.00 | 0.40 | 85.20 | 2.72 | 6.25 | 13.15 | 9.42 | 158.38 | 25,406.17 | 160.41 |
| Total Charge | 2,928.75 | 8,415.00 | 76.00 | 11,076.00 | 380.67 | 498.75 | 1,183.50 | 847.50 | 25,406.17 | | |

INFORMATION FOR CREDITORS IN RELATION TO FEES AND DISBURSEMENTS

| | |
|---|-------------------|
| W | smithcooper.co.uk |
| F | 01332 650290 |

| | |
|-----|-----------|
| VAT | 123354934 |
|-----|-----------|

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
- 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

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:

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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** – Anita Godson
- **Telephone** – 01332 332021
- **Email** – 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.