

AM03

Notice of administrator's proposals



Companies House

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TUESDAY

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

1 Company details

Company number 08781024

Company name in full Five Star Foods Limited

2 Administrator's name

Full forename(s) Engin

Surname Faik

3 Administrator's address

Building name/number 136 Hertford Road

Street

Post town Enfield

County/Region Middlesex

Postcode EN3 5AX

Country

4 Administrator's name ●

Full forename(s)

Surname

● Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ●

Building name/number

Street

Post town

County/Region


Postcode

Country

● Other administrator
Use this section to tell us about
another administrator.

AM03

Notice of Administrator's Proposals

6	Statement of proposals	
	<input checked="" type="checkbox"/> I attach a copy of the statement of proposals	
7	Sign and date	
Administrator's Signature	<div>Signature</div> <div>✕  ✕</div>	
Signature date	<div><div>d</div>0<div>d</div>4<div>m</div>0<div>m</div>1<div>y</div>2<div>y</div>0<div>y</div>1<div>y</div>8</div>	

AM03 Notice of Administrator's Proposals



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 Ryan Sinclair

Company name Cornerstone Business Turnaround

Address 136 Hertford Road

Post town Enfield

County/Region Middlesex

Postcode E N 3 5 A X

Country

DX

Telephone 02037933285



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 and dated the form.



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Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



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**High Court of Justice - Birmingham District Court
No. 8310 of 2017**

Five Star Foods Limited - (In Administration)

THE ADMINISTRATOR'S PROPOSAL

**Engin Faik LLB FABRP
Administrator**

**Cornerstone Business
Turnaround and Recovery Limited
136 Hertford Road, Enfield, EN3 5AX
020 3793 3338
r.sinclair@cornerstonerecovery.co.uk**

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- 2.5 The majority of this time relates to marketing the business and assets for sale, including corresponding with the Director, Agents and interested parties.
- 2.6 Time was spent in reporting to both the Secured Creditors and the Director on the progress of the sales process and in providing advice in respect of the potential insolvency options available.
- 2.7 In addition, time was spent by Cornerstone in formulating a strategy for the Administration to ensure that one of the statutory objectives could be achieved and to ensure that Administration was the most beneficial route available to creditors.
- 2.8 The agreement under which the pre-Administration costs were incurred was agreed in a letter of engagement to the Company dated 19 October 2017. The Administrator will be seeking approval of £7,500 plus VAT and disbursements in relation to pre-appointment costs incurred.
- 2.9 The Administrator confirms that payment of the unpaid pre-appointment costs as an expense of the Administration, is subject to approval under Rule 3.52 of the Rules and is not a part of the Proposals to be approved under paragraph 53 of Schedule B1 of the Act. Further explanation of the approval process is provided in Section 9.
- 2.10 The Administrator has also incurred pre-appointment expenses as set out below:
- 2.11 In conducting the above work, the following costs were incurred:

£	
Cornerstone's time costs (see Appendix II)	£11,215.00
Cornerstone's disbursements;	
Court Fee	50.00
Legal - Swear Fees	20.00

- 2.12 For the sake of completeness, Attached at Appendix II is a breakdown of the time costs of the Administrator and his staff incurred prior to Administration. Appendix III sets out Cornerstone's charge-out rates and bases of disbursements.
- 2.13 All of the above professional fees and disbursements remain unpaid.

3. The Administrator's Fees

- 3.1 The Administrator proposes to fix his fees on the following basis:
- (i) the time properly given by the Administrator and his staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Cornerstone Business Turnaround and Recovery Limited at the time the work is performed (as set out in Appendix III) plus VAT.
- 3.2 Attached at Appendix IV is a breakdown of the time costs incurred in the Administration to 4 January 2018. The Statement of Proposals provides an account

1. Executive Summary

- 1.1 This Proposal incorporates the Statement of the Administrator's Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act attached at Appendix I.
- 1.2 The Company was incorporated on 19 November 2013 and commenced trading shortly thereafter in pursuance of its principal objective as a food manufacturer. It traded from leasehold premises at 37 Shaftesbury Street South, Derby, Derbyshire, DE23 8YH. On 13 November 2017, Engin Faik of Cornerstone Business Turnaround and Recovery Limited (hereinafter "Cornerstone" or "CBR") was appointed Administrator of the Company by the directors.
- 1.3 As explained in more detail in the Statement of Proposals, the Administrator is currently pursuing the third statutory objective in that he anticipates making distribution to one or more secured or preferential creditors during the currency of the Administration
- 1.4 In addition, the Administrator is also attempting to meet the second statutory objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration). This will mainly depend upon the potential recovery of the insurance claim referred to elsewhere in this document.
- 1.5 A summary of the current and anticipated future positions are detailed below.

Assets

Asset	Realisations to date	Anticipated future realisations	Total Anticipated realisations
Plant & Machinery - Unencumbered	£27,875 <i>*Held in Escrow</i>	£11,780	£39,655
Plant & Machinery - Encumbered subject to Hire Purchase	£8,350 <i>*Held in Escrow</i>	£80,900	£89,250 less £57,000 due under HP. Net £32,250
VAT Refund	Nil	£25,700	£25,700
Insurance Claim	Nil	Uncertain	Uncertain

Expenses

Expense	Expense incurred to date	Anticipated further expense	Total anticipated expense
Administrators' fees	£23,070	£16,935	£40,005
Solicitors' fees	£TBC	£10,000	£10,000
Agents' fees	£5,433	£13,903	£19,336
Accountancy Fees	Nil	£7,500	£7,500
All other expenses	£886	£1,150	£2,036

Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend
Secured creditor (fixed charge)	Nil	Nil
Secured creditor (floating charge)	Nil	15.17p in £
Preferential creditors	Nil	Nil
Unsecured creditors	Nil	Nil

1.6 The Statement of Proposals at Appendix I provides explanations of the events leading up to the Administration and the progress of the Administration to date, as well as other statutory information.

1.7 This Proposal provides more detailed information on the work that the Administrator anticipates he will undertake to complete the Administration, together with his proposed basis of fees. To put this request into context, this Proposal provides further information on the Administrator's costs to date, including the costs incurred prior to Administration. It also explains other matters for creditor's consideration, such as the proposed timing of the Administrator's discharge on the conclusion of the Administration.

1.8 Definitions of the terms used in this Proposal are provided within Appendix I (Attachment A) together with all statutory information pertaining to the Company.

2. Statement of Pre-Administration Costs

2.1 On 19 October 2017, the Directors of the Company unanimously agreed with the proposed Administrator that Cornerstone be paid fees for work done prior to the Administration on a fixed fee basis of £7,500 plus VAT and related expenses for the following tasks and matters that were considered to be necessary to place the Company into Administration.

2.2 Setting the Administrator's fees in the sum of £7,500 is considered to be a fair and reasonable reflection of the work undertaken. If the Administrator was to charge his fees on an alternative basis, e.g time costs incurred by him and his staff, this would result in a fee in excess of that proposed.

2.3 Pre-Administration costs are defined in the Rules as fees charges and expenses incurred by the Administrator or his firm, or another person qualified to act as an insolvency practitioner before the Company entered Administration but with a view to it doing so.

2.4 Cornerstone has incurred pre-appointment time costs of £11,215, representing 34.10 hours at an average rate of £328.89. A breakdown of the time costs and disbursements incurred is provided at Appendix II.

of the work undertaken to date and Appendix V provides a detailed list of work undertaken and proposed to be undertaken by the Administrator and his staff.

- 3.3 The charge-out rates of the Administrator and his staff is detailed in Appendix III. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant issue, the financial value of the assets being realised and claims being agreed. The grades of staff engaged to assist in this matter and their key responsibilities include:
- Support Staff: maintenance of the creditors' contacts database, assisting with creditors' queries and routine correspondence
 - Administrators: assisting in the realisation of assets, employee matters, liaising with creditors and debtors, preparing reports to creditors and other statutory matters, and managing the cashiering function
 - Managers: on-site attendance, reviewing the Company's position and affairs, handling asset realisations, reviewing draft statutory reports to creditors and overseeing the tax and VAT aspects of the case
- 3.4 Creditors may access a Guide to Administrator's Fees at https://www.r3.org.uk/media/documents/publications/professional/Guide_to_Administrators_Fees_Oct_2015.pdf or a hard copy will be provided upon request.
- 3.5 The time costs already charged since appointment are analysed at Appendix IV. Time is charged in six minute units.
- 3.6 To date, time costs of £23,070 have been incurred, representing 75.40 hours at an average rate of £305.97.
- 3.7 The Administrator's fees will be agreed by the Secured Creditors and the Preferential Creditors, if any.
- 3.8 The amount proposed to be drawn in fees over the life of the case by the Administrator is shown in Appendix VI - Fee Estimate. The total amount indicated effectively acts as a cap on the level of fees to be drawn by the Administrator.
- 3.9 Also attached at Appendix V is the Fees Narrative, a summary of key issues, to assist creditors in understanding the strategy of the Administrator, the associated costs and expenses of the related activities and the financial benefit to creditors. Further details of assets and liabilities and the estimated return to creditors, if any, are set out in the body of this report.
- 3.10 Details of how to obtain further information relating to the fees and disbursements of the Administrator are attached at Appendix VIII – statement of creditor's rights.
- 3.11 Further information is set out below and in the appendices to explain the future time costs that the Administrator anticipates incurring in this case.

4. The Administrator's Expenses

4.1 The Administrator's expenses may be divided into two categories:

- Category 1 expenses are costs that can be specifically identified as relating to the administration of the case. These are charged to the estate at cost with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums and properly reimbursed expenses. Legislation provides that administrators may discharge Category 1 expenses from the funds held in the insolvent estate without further recourse to creditors.
- Category 2 expenses are costs that are also directly referable to the appointment in question but not to a payment to an independent third party. Payments may only be made in relation to Category 2 expenses after the relevant creditors have approved the bases of their calculation.

4.2 Appendix III provides details of the bases of Category 2 expenses that the Administrator proposes to recover from the insolvent estate.

4.3 The Administrator estimates the expenses of the Administration to total £38,872.20 (as shown in Appendix VII - Estimated Expense Schedule). This schedule illustrates the estimated expenses for the whole of the Administration and is for information purposes only. No approval is required by creditors. This estimate may change over the course of the Administration but creditors will be informed of any variations with associated reasons in future progress reports.

5. Proposed Work to be Undertaken

5.1 Set out in Appendix VI is a detailed list of tasks that the Administrator proposes that he and his staff will undertake together with their estimates of the time these tasks will take to carry out. The most material tasks are summarised below. The Estimated Outcome Statement attached to the Statement of Proposals (Attachment D) provides an overview of the financial benefit that this work is expected to bring to creditors.

Administration (including Statutory Reporting)

5.2 The Administrator is 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, which ensures that the Administrator and his staff carry out their work to high professional standards.

5.3 Primarily, these tasks include:

- Meeting all statutory reporting and filing requirements, including 6-monthly reports, seeking an extension where necessary, and issuing a final report and notices;
- Consulting with and instructing staff and independent advisers as regards practical, technical and legal 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 Administrator that materially affect the administration;
- Conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements; and
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments.

Investigations

5.4 The Administrator examines the conduct of the Company and its directors prior to the Administration with two main objectives:

- To identify what assets are available for realising for the benefit of creditors, including any potential actions against directors or other parties, such as challenging transactions at an undervalue or preferences; and
- To enable the Administrator to report to the Insolvency Service on the conduct of the directors so that the Insolvency Service may consider whether disqualification proceedings are appropriate ("CDDA" work).

5.5 In the early stages of the Administration, this work involves examining the Company's books and records, considering information received from creditors and the Company's accountants and seeking information from the Company's directors and other senior staff by means of questionnaires and/or interviews.

5.6 In the event that questionable transactions are identified, it may be necessary to conduct further investigations and instruct solicitors to assist in deciding the Administrators' next steps in pursuing a recovery. If a potential recovery action is identified, it may be necessary to instruct professional agents in gathering evidence and in exploring further the existence and value of assets to target. If the Administrator encounters resistance in making a recovery, formal legal action may be appropriate.

5.7 In addition, if the Insolvency Service decides to proceed with a disqualification, the Administrator will be required to assist the Insolvency Service's investigators in their work, which may include providing the investigators with access to the Company's books and records and agreeing statements to be given in evidence of those proceedings.

5.8 At this early stage, it is difficult to estimate the likely time costs and expenses that may be incurred in this work. The Fees and Expenses Estimates presented below reflect the anticipated work in identifying potential causes of action. If any are identified and the Administrator considers that additional work is required, they may revert to the relevant creditors to seek approval for fees in excess of the estimate.

Realisation of assets

5.9 The Statement of Proposals summarises the work carried out by the Administrator to date in realising the Company's assets. The principal matters that require further work are:

- Liaising with auctioneers and valuers, Clarke Fussells Limited ("CFL") regarding the disposal of the Company's assets;
- Monitoring the sales achieved by CFL;
- Organising suitable dates and times with agents, Wyles Hardy and Co ("WH") to visit the trading premises to oversee the disposal of the Company's unrealised assets;
- Liaising with my solicitors, Judge Sykes Frixou ("JSF") in the collection of funds due from CFL in respect of sold assets;
- Continuing to pursue the pre-appointment VAT refund;
- Pursuing settlement of the Company's insurance claims;
- Establishing if there are sums due in respect of the directors' loans/inter-company balances and pursuing settlement of these;
- Concluding a sale of the Company's chattel assets, intellectual property and stock, which will involve determining the claims of retention of title; and
- Maintaining appropriate insurance cover on the Company's assets until they have been disposed of.

Creditors (claims and distributions)

5.10 As the Statement of Proposals explains, there a number of different classes of creditor involved in the Administration that requires the Administrator's attention. In particular, the Administrator anticipates conducting the following key tasks:

- Liaising with the secured creditors in relation to the sale of assets subject to their security;
- With the assistance of solicitors, examining the validity of the secured creditors' claims and, where relevant, paying distributions to the secured creditors;
- Reviewing claims submitted by the tax departments and, where it is appropriate, examining the Company's records to appeal assessments or adjudicate on the Crown's claims;
- Responding to creditors' queries and logging their claims and supporting information;
- Maintaining the database as regards creditors' contact details and claims;
- Dealing with a creditors' committee, if one is constituted;
- If a prescribed part dividend is to be paid in the Administration, adjudicating on all unsecured creditors' claims, including seeking further information where necessary; and
- Where relevant, calculating and paying the prescribed part dividend and dealing with unclaimed dividends.

6. Other Information to Support the Proposed Fees

- 6.1 Attached at Appendix V is an estimate of the time that the Administrator envisages the above work will take to complete. Appendix V also provides their estimate of the expenses that have been or are likely to be incurred.
- 6.2 Please note that the estimates have been provided on the assumptions given below. In the event that it proves necessary for the Administrator to incur additional expenses in performing his duties, he will provide further details in his progress reports, but there is no statutory obligation to ask creditors to approve any adjusted Expenses Estimate. In the event that the Administrator incurs time costs in excess of the Fees Estimate, he will only revert to the relevant creditors for approval if he proposes to draw any fees in addition to those estimated from the insolvent estate.
- 6.3 In summary, the Administrator proposes that his fees be fixed on the basis of time costs and he estimates that he and his staff will spend time totalling £40,005 in conducting the tasks described. This estimate includes the time spent to date of £23,070, as described in Appendix IV.
- 6.4 The Fees and Expenses Estimates have been compiled on the assumptions set out below. Please note that these are assumptions only for the purposes of preparing the Estimates in accordance with the statutory provisions. It has been assumed that:
- investigations to the extent described in section 5 above will be carried out;
 - no exceptional work will need to be conducted in order to realise the remaining assets apart from the insurance claim;
 - there will be no requirement to hold a physical creditors' meeting or additional decision procedure to consider the matters covered by this Proposal; and
 - there will be no need to extend the Administration for more than one year. If necessary, approval for which will be sought from the relevant creditors at an appropriate time.
- 6.5 On the basis of these assumptions, the Administrator does not anticipate that it will be necessary to seek additional approval from the relevant creditors for fees in excess of the Fees Estimate. However, in the event that the Administration does not proceed as envisaged, the Administrator will seek approval for any additional fees.

7. The Administrator's Discharge

- 7.1 The Act requires that in the absence of a Committee the timing of the Administrator's discharge from liability will be decided by the Secured Creditor. The Administrator proposes that this discharge will take effect when his appointment ceases to have effect, unless the court specifies a time.

8. Invitation to Form a Creditors' Committee

- 8.1 Attached at Appendix XI is a Notice of Invitation to Form a Creditors' Committee. The purpose of the Committee is to assist the Administrator in discharging his functions. In particular, a Creditors' Committee takes on the responsibility for

approving the basis of the Administrator's fees and other costs described in these Proposals.

- 8.2 In the absence of a Committee, this responsibility falls to the Secured Creditor. The Administrator does not see a need for a Committee to be formed in this case.
- 8.3 Notwithstanding this, creditors are entitled to seek the formation of Committee, provided that there are sufficient nominations to form a Committee. At least three nominations would be required and the requisite majority of creditors would also need to object to the Administrator's recommendation not to form a Committee. Appendix X provides further information on these steps.

9. Approval Process

- 9.1 The Administrator is proposing the decisions set out below by means of the process set out in Rule 15.7 (Deemed Consent) of the Rules.
- That the Administrator's Proposals (i.e. the statutory Statement of Proposals at Appendix I), be approved;
 - That a Creditors' Committee will not be established.

Creditors are not required to vote on these proposed decisions, but they may object to their approval. Please see the Notice Seeking Deemed Consent attached at Appendix X for further information

- 9.2 In addition, the Administrator is seeking creditors' approval of the proposed decisions set out below by means of a vote by correspondence. Creditors are invited to vote on these proposed decisions by completing and returning the enclosed voting form together with a proof of debt form, if one has not already been submitted. These forms are attached at Appendix IX together with a Notice of Decision Procedure setting out the following proposed decisions:
- That the Administrator's fees be fixed by reference to the time given by him and his staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken ;
 - That the Administrator be authorised to recover all Category 2 disbursements, calculated on the bases detailed in Cornerstone's disbursement summary; and
 - That the unpaid pre-Administration costs set out in the Administrator's Proposal be approved.
 - That the Administrator be discharged from liability in respect of any action undertaken by him pursuant to Paragraph 98 of Schedule B1 of the Act, such discharge to take effect when the appointment of Administrator ceases to have effect, as defined by the Act, unless the court specifies a time.

- 9.3 The Administrator must receive completed forms by no later than 23.59 on 19 January 2018 (the decision date) to enable your vote to be counted.
- 9.4 Whilst a vote by correspondence is being sought, creditors who meet a statutory threshold as set out in the Notice attached at Appendix IX can require that a physical meeting of creditors be convened. Such a request must be made to the Administrator within 5 business days of the date on which this Proposal was delivered. If you wish to request a physical meeting, please set out in writing which of the decision(s) above you wish the meeting to consider.
- 9.5 As explained above, in the absence of a Creditors' Committee, the matters described in this Proposal are to be decided by the Secured Creditor. Therefore, this information is provided to other classes of creditors for information purposes only.

If any creditor has any queries in relation to the above, please do not hesitate to contact the Administrator or the case manager Ryan Sinclair, on 020 3793 3338 or by email to r.sinclair@cornerstonerecovery.co.uk.

Dated this 4th day of January 2018



Engin Faik LLB FABRP
Administrator

Engin Faik was appointed Administrator of Five Star Foods Limited on 13 November 2017. The affairs, business and property of the Company is managed by the Administrator. The Administrator acts as agent of the Company and contract without personal liability.

Five Star Foods Limited – In Administration

**STATEMENT OF THE ADMINISTRATOR'S PROPOSALS
PURSUANT TO SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

**Appendix I
to the Administrator's Proposal**

High Court of Justice - Birmingham District Court

No. 8310 of 2017

Five Star Foods Limited -In Administration

**STATEMENT OF THE ADMINISTRATOR'S PROPOSALS
PURSUANT TO SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

Disclaimer Notice

- This Statement of Proposals has been prepared by Engin Faik, the Administrator of Five Star Foods Limited, solely to comply with his statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of his proposals for achieving the purposes of the Administration and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- Any estimated outcomes for creditors included in this Statement of Proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.
- Any person that chooses to rely on this document for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 does so at their own risk. To the fullest extent permitted by law, the Administrator does not assume any responsibility and will not accept any liability in respect of this Statement of Proposals.
- The Administrator acts as agent for Five Star Foods Limited and contract without personal liability. The appointment of the Administrator is personal to him and, to the fullest extent permitted by law, Cornerstone Business Turnaround and Recovery Limited does not assume any responsibility and will not accept any liability to any person in respect of this Statement of Proposals or the conduct of the Administration.
- All licensed Insolvency Practitioners of Cornerstone Business Turnaround and Recovery Limited are licensed in the UK to act as Insolvency Practitioners.

**Engin Faik LLB FABRP
Administrator**

**Cornerstone Business
Turnaround and Recovery Limited
136 Hertford Road, Enfield, EN3 5AX
020 3793 3338
r.sinclair@cornerstonerecovery.co.uk**

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7. The Administrator's Fees
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9. Summary of the Administrator's Statement of Proposals

Attachments

- A Definitions
- B Statutory Information
- C Estimated Financial Statement as at 13 November 2017 and Creditors' Details
- D Estimated Outcome Statement
- E The Administrator's Receipts and Payments Account to 04 January 2018.

1. Introduction

- 1.1** This Statement of Proposals is prepared pursuant to Schedule B1 of the Act in relation to the Company, the purposes of which are to provide creditors with a full update as to the present position and to set out the Administrator's proposals for achieving an Administration objective.
- 1.2** The Statement of Proposals also includes information required to be provided to creditors pursuant to the Rules. Definitions of the terms used in the Statement of Proposals are provided in Attachment A and statutory information pertaining to the Company is set out in Attachment B.
- 1.3** This Statement of Proposals is being delivered to creditors on 4 January 2018. Creditors are invited to decide whether to approve the Administrator's proposals. Section 8 provides further details on this decision process.

2. Background to the Company

- 2.1** The business was established on 19 November 2013 and the principal activity of the Company was to act as food manufacturers selling business to business nationwide and overseas.

The majority of the Company's turnover emanated from the UK which included national supermarket chains Asda and Tesco.

It has always traded from leasehold premises at 37 Shaftesbury Street South, Derby, Derbyshire DE23 8YH.

The Company's position has always been profitable which is evidenced by its filed accounts for the years ended 30 November 2014 and 2015.

Unfortunately in 2016 the Company's fortunes began to drastically change.

The cause of the Company's failure is attributable to a number of events with the most significant being the fact that that one of the Company's key customers, S & A Foods Limited, entered into Administration in 2016 owing the Company in excess of £200,000.

The other significant cause for the demise of the business was due to a serious fire break out at the trading premises in February 2017 which had effectively left the business without the ability to trade since. Despite having adequate insurance in place, the Company's insurers have sought to repudiate liability for the losses which, in turn, has resulted in an ongoing dispute. The directors were advised that the cost of commencing legal proceedings would require a payment on account of £20,000, a sum which the company simply did not have.

Therefore with there being an inability to trade and no cashflow, the directors decided that the Company's position had become untenable and trading ceased immediately. Following which all of the staff have had their contracts of employment terminated.

Overview of Financial Information

2.2 Extracts from the un-audited accounts for the years ended 30 November 2015 and 2014 respectively are shown below.

2.3 Please note that this information has not been verified by the Administrator.

Summary Balance Sheet

	Unaudited Statutory Accounts for year to 30/11/2015 £	Unaudited Statutory Accounts for year to 30/11/2014 £
Tangible assets	459,538	366,034
Intangible assets	-	-
	<hr/>	<hr/>
Fixed assets	459,538	366,034
Current Assets		
Stock	15,000	23,559
Debtors	143,479	120,580
Other	-	-
	<hr/>	<hr/>
	158,479	144,139
Liabilities		
Current Liabilities	(182,706)	(287,991)
Long Term Liabilities	(136,316)	(-)
	<hr/>	<hr/>
Total Liabilities	(319,022)	()
	<hr/>	<hr/>
Net Assets	298,995	222,182
	<hr/> <hr/>	<hr/> <hr/>

The statutory accounts for the year ending 30 November 2015 was approved by the Board of Directors on 18 August 2016.

Management and Employees

2.4 As at 13 November 2017, the Company had no employees remaining having been dismissed following cessation of trading in August 2017. Only the Directors remained in employment overseeing the disposal of the assets of the business.

- 2.5 Statutory information on the Company, including details of the Directors, Company Secretary, and Shareholders is provided at Attachment B.

3. Events leading to the Administration

- 3.1 On 13 November 2017, Engin Faik of Cornerstone Business Turnaround and Recovery Limited was appointed Administrator of the Company following the filing of a Notice of Appointment of Administrator by the Directors of the Company.
- 3.2 Cornerstone was formally engaged by the Board of Directors on 19 October 2017 to assist them in placing the Company into Administration. Cornerstone has assisted them with the preparation and filing of the notice of intention to appoint an Administrator as well as the Notice of Appointment.
- 3.3 For creditors' general information, the EC Regulation on insolvency proceedings applies in this case, and these proceedings are the main proceedings.

4. The Purpose of the Administration

- 4.1 The purpose of an Administration is set out in Schedule B1, Paragraph 3(1) of the Act. In short, this provides that an Administrator of a Company must perform his functions with a view to achieving at least one of the following hierarchical statutory objectives:
- rescuing the Company as a going concern, or
 - achieving a better result for the creditors as a whole than would be likely to be achieved if the Company were wound up (without first being in Administration), or
 - realising property in order to make a distribution to one or more secured or preferential creditors.
- 4.2 The rescue of a company is the priority. If this is not possible, the Administrator seeks to achieve a better result for the creditors as a whole. In the event that this cannot be achieved, then the Administrator is permitted to realise assets for the benefit of the preferential or secured creditors.
- 4.3 The Administrator believes that the first statutory objective is not achievable due to a lack of working capital and the cessation of trading prior to appointment. For the same reasons, the Administrator does not consider it possible to propose a Company Voluntary Arrangement.
- 4.4 The second objective is normally achieved by means of a sale of the business and assets as a going concern (or a more orderly sales process than in

liquidation). The Administrator would comment that the Administration has enabled a more secure and controlled sale of plant and machinery and provided a moratorium against creditor action. Although this will improve the overall position the Administrator does not believe that ordinary unsecured creditors will receive a dividend (other than via the prescribed part) and therefore have not directly benefited. The Administrator considers that the second objective has been partially achieved. It is also hoped that a successful recovery of the insurance claim will assist further in achieving the second objective.

4.5 The Administrator would comment that the third objective will be achieved through the sale of the Company's assets.

4.6 A detailed account of how the Administrator has sought to achieve the objective of the Administration is set out below.

5. Management of the Company's Affairs since the Administrator's Appointment

5.1 Immediately upon my appointment, the Administrator undertook a review of the Company's affairs with particular regard to its financial and resource requirements. This assessment was carried out in conjunction with the existing management of the Company.

The sale of the Company's business and assets

5.2 Given that the Company had ceased trading a long period prior to the appointment as Administrator, a pre-pack sale was not achievable.

Sales to connected parties

5.3 The Company's assets have not been sold to any connected parties since the Administrator's appointment.

Assets remaining to be realised

5.4 Prior to the Administrator's appointment, the Directors of the Company engaged valuers and auctioneers Clarke Fussells Limited ("CFL") to dispose of the Company's plant and machinery. CFL advised that, in their opinion, that the maximum realisable value of the Company's assets was £258,000 on a "willing buyer" basis and £125,000 in a "forced sale" scenario. It would also appear that CFL had underwritten the £125,000 valuation.

5.5 Since the Administrators appointment, there has been protracted correspondence with CFL with a view to obtaining a comprehensive account of the sale of the Company's assets. Regrettably, this information has not been forthcoming.

- 5.6 As a consequence, the Administration estate has not directly received the proceeds of sale from CFL. The agents have, however, lodged the sum of £46,000 with the Administrator's solicitors, Judge Sykes Frixou ("JSF"), on account of sales made to date. The Administrator is continuing to review whether it is appropriate to make a call upon the £125,000 underwritten valuation.
- 5.7 The Company's landlord, holds a rent deposit of £41,000 which equates to £15,000 deposit and one month's advance rent. The deposit is likely to be extinguished after applying the Landlord's claims for rent arrears and dilapidations. This matter is under ongoing review. The Administrator is currently awaiting the landlord's formal claim in the Administration for outstanding arrears and dilapidations before considering if any element of the deposit is recoverable.
- 5.8 It is estimated that the Company is due a VAT refund of approximately £30,700. It is uncertain how much of this sum is recoverable at this stage, although it is likely that this sum will be subject to Crown set off. HM Revenue & Customs current claim in respect of PAYE/NIC is currently £11,769.02 (including penalties and interest). As the Company had no employees throughout this period, it has not been submitting its monthly RTI returns. HMRC have therefore submitted assessments based on historical figures. The Administrator will seek to complete all outstanding returns in due course, following which, it is expected that HMRC's claim for PAYE/NICs will reduce substantially.
- 5.9 One of the Company's principal assets is an insurance claim that the Directors have estimated at £1.2m, which relates to a serious fire suffered at its business premises. This claim is currently in dispute with the insurers. Since the Administrators appointment, he has begun collating evidence relating to the claim and is currently receiving professional advice on this issue.
- 5.10 Creditors are asked to note that the Administrator cannot comment further on the recovery strategy or prospect of success of the claim at this stage as this may be prejudicial to the claim itself and/or any prospective settlement.

Post appointment strategy

- 5.11 Immediately following the appointment of the Administrator on 13 November 2017, members of the Administrator's staff attended the Company's business premises to secure the building and the assets held in situ. As previously mentioned there was no requirement to dismiss staff as this had already been completed upon cessation of trading. As at cessation of trading the company had 14 employees.

- 5.12 The Administrator's staff are in the process of collating creditors' claims and have handled creditors' queries as they have arisen which include telephone calls and correspondence.
- 5.13 The Administrator's solicitors, JSF, have advised in respect of all legal issues arising from the sale and removal of the plant and machinery being marketed by CFL prior to the administration. In addition, they are also reviewing CFL's pre appointment instructions from the Board. JSF were instructed in this regard to assist in this regard as some of the assets sold by the auctioneers without the prior consent of the third party owner, namely SME Asset Finance Limited, under various HP agreements.
- 5.14 As a significant amount of plant and machinery was financed under Hire Purchase agreements with SME Asset Finance Limited, the Administrator's staff continue to liaise with them and information continues to be provided to assist them in assessing their position.
- 5.15 In addition, independent professional chattel agents, Messrs Wyles Hardy ("WH"), have been instructed by the Administrator to undertake inventories and valuations of plant and equipment which was being auctioned by CFL and which remain in situ at the Company's premises. WH have also advised on the best method of disposal of those assets if the pre appointment instructions to CFL were to be voided.
- 5.16 Agents fees are based upon a percentage of realisations basis and solicitors fees are based on time costs incurred at their standard charge out rates. All professional fees will be reviewed by the Administrator and his staff before being approved for payment.

Investigation into the Company's Affairs Prior to the Administration

- 5.17 The Administrator is undertaking a review of the Company's trading activities in order to establish whether or not there are actions that may be taken for the benefit of the Administration and consequently to enable a conduct report to be submitted in respect of Company directors in office at the commencement of the Administration and any who resigned in the three years prior to the Administration.
- 5.18 Should any creditor have any concerns about the way in which the Company's business has been conducted or information on any potential recoveries for the estate, they are invited to bring them to the attention of the Administrator as soon as they are able.
- 5.19 As mentioned elsewhere in these Proposals, the Administrator continues to review the veracity of the Company's insurance claim and expects to be in a position to provide creditors with a more comprehensive account in his next progress report.

6. The Statement of Affairs and the Outcome for Creditors

- 6.1 The Directors have not, to date, submitted a signed Statement of Affairs, albeit they are currently in the process of drafting this. An Estimated Financial Statement of the Company, together with a list of the creditors, is attached at Attachment C for creditors' information. These details have been extracted from the Company's records and therefore no warranty can be given to the accuracy of the details given.
- 6.2 In accordance with the standard format of a Statement of Affairs, no provision has been made in the Statement for the costs of the Administration (including agents, legal and other professional fees).
- 6.3 The Administrator has not carried out any work of the nature of an audit on the information.

Secured creditors

- 6.4 The Company had granted a debenture incorporating fixed and floating charges to Metro Bank PLC on 6 August 2014 which was duly registered at Companies House on 13 August 2014. The debt due under the debenture at the date of the appointment of the Administrator, and as set out in the Statement of Affairs, is summarised as follows:

	<u>£</u>
Overdraft facility	<u>74,000</u>
 TOTAL	 <u>74,000</u>

The debt due to Metro Bank PLC has been personally guaranteed by the Company's directors.

Other secured creditors include SMEAF who, as at the date of Administration were owed £157,000 in respect of three Hire Purchase agreements granted to the Company relating to the majority of the company's plant & machinery. Since the appointment the directors have advised that they have paid £100,000 to SMEAF under the terms of their personal guarantees in respect of the Company's indebtedness.

- 6.5 The anticipated recovery to the Secured Creditor is shown on the Estimated Outcome Statement at Attachment D.

Preferential claims

- 6.6 There are no known preferential claims outstanding.
- 6.7 Section 176A of the Act requires Administrators to allocate a prescribed part of the company's net property, which is the balance remaining after

discharging the preferential claims but before paying the floating chargeholder, available for the satisfaction of non-preferential debts.

6.8 The Prescribed Part is calculated as a percentage of net property, as follows:

Net property less than £10,000: 50% unless the Administrator considers that the costs of making a distribution to non-preferential creditors would be disproportionate to the benefits;

Net property greater than £10,000: 50% up to £10,000 plus 20% thereafter to a maximum of £600,000.

6.9 In this case, it is anticipated that the prescribed part provision will not apply as the net property from which the prescribed part allocation is calculated totals £11,228. In these circumstances, the Administrator considers that as a result the prescribed part available for unsecured creditors is estimated to total £5,024. Please note that the net property figures and associated costs can only be estimated at this stage and therefore the value of the prescribed part is only an estimate and is subject to change. The Administrator is of the view that the costs of making a distribution to unsecured creditors would be disproportionate to the benefits and so will not be making a prescribed part allocation to unsecured creditors pursuant to Section 176A(3)(b) of the Act.

6.10 The Administrator does not propose to make an application to court under Section 176A(5) of the Act to disapply the prescribed part provisions, because the Administrator expects that the net property will likely be less than £10,000 and the costs of making a distribution to unsecured creditors would be disproportionate to the benefits.

6.11 As demonstrated in the Estimated Outcome Statement attached at Attachment D, on the basis of the costs incurred to date and the estimated further costs to be incurred in bringing the Administration to a conclusion, it is anticipated that there will be insufficient funds to pay a distribution to unsecured creditors. Nevertheless a Proof of Debt form is still provided in appendix XI.

6.12 Attached at Attachment E is the Administrators' receipts and payments account for the period from 13 November 2017 to 4 January 2018.

7. The Administrator's Fees

7.1 The Administrator proposes to be remunerated on the basis of the time properly given by himself and his staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Cornerstone at the time the work is performed (plus VAT).

7.2 The Administrator will seek approval for the basis of his fees from the Secured Creditors, unless a Creditors' Committee is established. This is on the basis that, on current information, a distribution to non-preferential creditors is not anticipated.

7.3 Information to support the proposed basis of the Administrator's fees, together with the Statement of pre-Administration costs, is provided in the Administrator's Proposal, to which this Statement of Proposals forms an appendix.

8. Approval of the Statement of Proposals

8.1 As explained in Section 6 above, the Administrator considers that the Company has insufficient property to enable a distribution to be made to unsecured creditors (other than by virtue of Section 176A(2)(a) of the Act). Therefore, pursuant to Paragraph 52(1)(b) of Schedule B1 of the Act, the Administrator is not required to seek creditors' approval of the Statement of Proposals.

8.2 Notwithstanding this, the Administrator shall be required to seek a creditors' decision on whether to approve the Statement of Proposals, if it is requested by creditors whose debts amount to at least 10% of the Company's total debts. Such request must be delivered to the Administrator within 5 business days from the date on which the Statement of Proposals was delivered. Security must be given for the expenses of seeking such a decision.

8.3 If no decision is requested, the Statement of Proposals will be deemed to be approved pursuant to Rule 3.38(4) of the Rules.

9. Summary of the Administrators' Proposals

9.1 The Statement of Proposals is summarised below.

9.2 In order to achieve the purpose of the Administration, the Administrator formally proposes to creditors that:

- the Administrator continues the Administration to deal with such outstanding matters in relation to the Company as the Administrator considers necessary until such time as the Administration ceases to have effect.
- the Administrator continues to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration, in particular that:
 - (i) he sells the Company's assets at such time(s) and on such terms as he considers appropriate;

- (ii) he investigates and, if appropriate, pursues any claims that the Company may have against any person, firm or company, whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company;
- (iii) he does all such things and generally exercises all his powers as Administrator as contained in Schedule 1 of the Act or otherwise as he in his sole and absolute discretion considers desirable or expedient in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these activities;
- (iv) the Administrator, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar of Companies to the effect that the Company has no remaining property which might permit a distribution to its creditors, at which stage the Administration will cease;
- (v) the Administrator where he consider that there are funds available to be distributed to the non-preferential creditors (other than under the Prescribed Part) take the necessary steps to put the Company into either CVL or into Compulsory Liquidation as he in his sole and absolute discretion deems appropriate. It is proposed that the Administrator, Engin Faik of Cornerstone would act as Liquidator should the Company be placed into CVL.

In accordance with Paragraph 83(7) of Schedule 81 to the Act and Rule 3.60(6)(b) of the Rules creditors may nominate a different person as the proposed Liquidator provided the nomination is received at this office prior to the approval of the Proposals. In the absence of such nomination, the Administrator will be appointed the Liquidator

- (vi) the Administrator make distributions to any secured or preferential creditors in accordance with Paragraph 65 of Schedule B1 of the Act. Further, he may make a distribution to unsecured creditors, having first sought the court's permission in accordance with Paragraph 65(3) of Schedule B1 of the Act where necessary;
- (vii) the Administrator ends the Administration in one of the following ways, appropriate to the circumstances of the case at the time:

- (A) in the event that there is no remaining property that might permit a distribution to the Company's creditors, he shall file a notice of dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Act; or
- (B) in the event that the Administrator thinks that a distribution will be made to unsecured creditors (and he has not sought the court's permission, and is otherwise unable, to pay the distribution whilst the Company is in Administration), he shall send to the Registrar of Companies notice to move the Company from Administration to Creditors' Voluntary Liquidation.

In such circumstances, Engin Faik will be appointed Liquidator and will be authorised to act separately in undertaking his duties as Liquidator. Creditors may nominate a different person or persons as the proposed liquidator or liquidators in accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 3.60(6)(b) of the Rules, but they must make the nomination or nominations at any time after they receive the Statement of Proposals, but before it is approved.

- (C) alternatively, and should there be no likely funds to distribute to unsecured creditors, the Administrator may seek to place the Company into Compulsory Liquidation in order to bring proceedings that only a Liquidator may commence for the benefit of the estate. In such circumstances, Engin Faik may ask the court that he be appointed Liquidator, to act separately in undertaking his duties as Liquidator.

9.3 The Administrator will be seeking specific agreement to the following proposals from the Secured Creditor, by means of a vote by correspondence:

- (i) That the Administrator be discharged from all liability pursuant to Paragraph 98 of Schedule 81 to the Insolvency Act 1986 upon filing the end of the Administration or his appointment otherwise ceasing.
- (ii) That a Creditors' Committee be established if sufficient creditors are willing to be members;
- (iii) That the Administrator's remuneration be fixed by reference to the time properly given by him and his staff in attending to matters arising in the Administration.

- (iv) That the Administrator's Fee Estimate in the total sum of £40,005 be and is hereby approved.
- (v) That the Administrator be authorised to draw his company's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements").

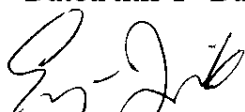
9.4 The Administrator will also seek specific agreement to the following resolutions (which do not form part of the Proposals)

- (i) That the unpaid pre-administration costs totalling £7,500 plus VAT and disbursements of £70 as detailed in the Administrator's Statement of Pre-Administration costs is approved for payment as an expense of the Administration;

The Secured Creditor and, if any, preferential creditors are invited to vote these proposed decisions by completing and returning the enclosed Notice of Decision Procedure Voting Form and a Proof of Debt Form which can be found at Appendix IX. The Administrator must receive completed forms by 'no later than 23.59 on 19 January 2018 (the decision date) to enable your vote to be counted

Please see the requisite form attached at Appendix IX for the requisite voting form and further information on how to nominate members.

Dated this 4th Day of January 2018



Engin Faik LLB FABRP
Administrator

Engin Faik was appointed Administrator of Five Star Foods Limited on 13 November 2017. The affairs, business and property of the Company is managed by the Administrator. The Administrator acts as agent of the Company and contract without personal liability.

FIVE STAR FOODS LIMITED – (IN ADMINISTRATION)**DEFINITIONS**

The Act	The Insolvency Act 1986
The Rules	The Insolvency Rules 1986 or the Insolvency (England & Wales) Rules 2016 (whichever applied at the time of the event described)
The Statement of Proposals	The Statement of the Administrators' Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act
The Administrator	Engin Faik
The Company	Five Star Foods Limited (in Administration)
The Court	High Court of Justice - Birmingham District
EBIT	Earnings before interest and tax
SPA	Sale & Purchase Agreement
RPO	The Redundancy Payments Office
HMRC	HM Revenue & Customs
ROT	Retention of Title
EOS	Estimated Outcome Statement
PP or Prescribed Part	The Prescribed Part of the Company's net property subject to Section 176A of the Insolvency Act 1986
QFCH	Qualifying Floating Charge Holder
SIP	Statement of Insolvency Practice (England & Wales)
TUPE	Transfer of Undertakings (Protection of Employment) Regulations

**FIVE STAR FOODS LIMITED - (IN ADMINISTRATION)
STATUTORY INFORMATION**

Company Name	Five Star Foods Limited
Previous Name(s)	-
Trading Name(s)	-
Proceedings	Administration
Court	High Court of Justice - Birmingham District Registry, Business and Property Courts
Court Reference	8310 of 2017
Date of Appointment	13 November 2017
Administrator	Engin Faik of Cornerstone Business Turnaround and Recovery Limited 136 Hertford Road, Enfield, EN3 5AX
Registered office Address	c/o Cornerstone Business Turnaround and Recovery Limited, 136 Hertford Road, Enfield, EN3 5AX
Company Number	08781024
Incorporation Date	19 November 2013
Appointment by	Directors, 4 The Drive, Ickenham, Uxbridge, Middlesex UB10 8AF
Directors at date of Appointment	Syed Alyas Hussain Syed Asad Hussain Syed Ali Raza Hussain Raza Bokharee
Shareholdings	Syed Afzaal Hussain 68,016 ordinary £1 shares held Syed Ali Raza Hussain 67,992 ordinary £1 shares held Syed Asad Hussain 67,992 ordinary £1 shares held Raza Bokharee 24,000 ordinary £1 shares held Syed Alyas Hussain 12,000 ordinary £1 shares held

FIVE STAR FOODS LIMITED - (IN ADMINISTRATION)

**ESTIMATED FINANCIAL STATEMENT AS AT 13 NOVEMBER 2017
AND CREDITORS' DETAILS**

Insolvency Act 1986

Five Star Foods Limited
Estimated Statement Of Affairs as at 13 November 2017

	Book Value £	Estimated to Realise £	£
ASSETS			
Metro Bank plc (06.08.2014)		(74,000.00)	
Deficiency c/d		(74,000.00)	
Plant & Machinery	160,000.00	89,250.00	
SME Asset Finance Limited		(57,000.00)	
		32,250.00	32,250.00
Rent Deposit	41,000.00	41,000.00	
Amber Real Estates (Landlord)		(41,000.00)	
		NIL	NIL
Plant & Machinery	120,000.00		39,655.00
VAT Refund	30,700.00		25,700.00
Insurance Refund	Uncertain		Uncertain
			97,605.00
LIABILITIES			
PREFERENTIAL CREDITORS:-			
			NIL
			97,605.00
DEBTS SECURED BY FLOATING CHARGES PRE 15 SEPTEMBER 2003			
OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS			
			NIL
			97,605.00
Estimated prescribed part of net property where applicable (to carry forward)			NIL
			97,605.00
DEBTS SECURED BY FLOATING CHARGES POST 14 SEPTEMBER 2003			
Deficiency b/d		74,000.00	
			74,000.00
			23,605.00
Estimated prescribed part of net property where applicable (brought down)			NIL
			23,605.00
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)			
Trade & Expense Creditors		211,372.62	
Directors		100,000.00	
Banks/Institutions		130,000.00	
HM Revenue & Customs		5,000.00	
			446,372.62

Insolvency Act 1986

Five Star Foods Limited
Estimated Statement Of Affairs as at 13 November 2017

	Book Value £	Estimated to Realise £
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)		(422,767.62)
		(422,767.62)
Issued and called up capital Ordinary Shareholders		240,000.00
		240,000.00
TOTAL SURPLUS/(DEFICIENCY)		(662,767.62)

Five Star Foods Limited

Schedule of Secured Creditors

Secured Creditors

Secured creditor's name and address	Amount of claim (estimated)	Details of security	Date security was given	Value of security (per Statement of Affairs)
Metro Bank plc One Southampton Row, London, WC1B 5HA	£74,000	Debenture incorporating fixed and floating charges.	06/08/2014	£74,000
SME Asset Finance Limited, Kings Court, 2625 The Crescent, Birmingham Business Park, Birmingham B37 7YE	£57,000	Hire Purchase Agreements over Assets	29/01/2015 28/04/2016	£57,000

Special Creditor Groups

Creditor Group	Number of creditors in group	Total amount of claims (estimated)
Employees and former employees	-	-
Consumers claiming amounts paid in advance for the supply of goods and services	-	-

Cornerstone Business Turnaround and Recovery Limited
Five Star Foods Limited
B - Company Creditors

Key	Name	Address	£
C100	1 Stop Halal	Colmore Court, 9 Colmore Row, Birmingham, West Midlands, B3 2BU	45,975.28
C700	75 Taxis Limited	23 Ashbourne Rd, Derby, DE22 3FQ	258.10
CA00	Amber Real Estate Investments	2nd Floor Colmore Court, 9 Colmore Row, B3 2BU	41,000.00
CA01	Ascott Weighing Services Limited	81 Collingham Gardens, Derby, DE22 4FQ	192.00
CA02	Associated Packaging	195 Vale Road, Tonbridge, Kent, TN9 1SU	5,056.44
CA03	Authenticate Information System	The Knowledge Centre, Wyboston Lakes, Great North Road, Wyboston, Bedfordshire, MK44 3AL	1,200.00
CB00	Biffa Waste Services Limited	Coronation Road, Cressex, High Wycombe,, Buckinghamshire, HP12 3TZ	4,925.62
CB01	Berrymans Lace Mawer LLP	30 Fenchurch Street, London, EC3M 3BL	1,575.24
CB02	BNP Paribas Leasing Solutions	Northern Cross, Basing View, Basingstoke, Hants, RG21 4HL	97.43
CC00	Calderhead Refrigerated Transport	Little Forge Road, Park Farm Industrial Estate., Redditch, B98 7SF	2,505.30
CC01	County Packaging Services Limited	18.3 Amber Business Centre, Riddings, Alfreton, Derbyshire, DE55 4BR	847.44
CC02	Couriers Online Limited	8 Forest Road, Quorn, Loughborough, LE12 8AG	402.00
CC03	Coveris Flexibles UK Limited	Cromwell Road, Wisbech, PE14 0SN	5,703.69
CD00	Dalesman (Fine Food Ingredients)	Dalesman House, Chase Way, Bradford, BD5 8HW	17,720.94
CD01	Derby Flexographic Limited	Unit 1, Spiral Tube Works, Osmaston Park Road, Derby, DE24 8BT	8,761.86
CD02	Derby Growth Fund Loan	Derby City Council, Council House, Corporation Street, Derby, DE1 2FS	130,000.00
CE00	Ecolab Limited	PO Box 11, Winnington Avenue, Northwich Cheshire, CW8 4DX	1,107.00
CE01	Encase Limited	Beaumont Road, Banbury, OX16 1RE	4,303.50
CE02	E.ON UK PLC	Customer Service Centre, E.ON., PO Box 7750, Nottingham, NG1 6WR	4,319.63
CF00	FGS Ingredients Limited	c/o Atradius Collections, 3 Harbour Drive, Cardiff Bay, CF10 4WZ	2,163.75
CF01	Freshpeel Produce Limited	85 Bolness Road, Wisbech, Cambridgeshire, PE13 2XQ	3,565.10
CF02	Freshways Limited	Oban Road, Longford,, Coventry, CV6 6HH	4,763.25
CF03	FWP Matthews Limited	Station Road, Shipton under Wychwood, Chipping Norton, Oxfordshire, OX7 6BH	1,895.00
CG00	Gas Direct Limited	White House Farm, Valley Lane, Long Bennington,, Newark, Nottinghamshire, NG23 5EE	464.30
CG01	Genuine Solutions UK	accounts@genuinesolutionsuk.com	2,088.24
CH00	Harry Yearsley Limited	Belfield - Hareshill Road, Heywood, Lancashire, OL10 2TP	12,679.90
CH01	Harman Packaging	Globe Works, Richmond Street, Accrington, BB5 0RH	2,927.29
CH02	Healy Chemicals Limited	Interlink Way West, Bardon Industrial Estate, Bardon Hill, Leicestershire, LE67 1HH	446.25
CH03	HM Revenue & Customs	Debt Management Enforcement & Insolvency Service, Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	5,000.00

Signature

Cornerstone Business Turnaround and Recovery Limited
Five Star Foods Limited
B - Company Creditors

Key	Name	Address	£
CI00	IH Foods Limited	353 Uxbridge Road, Southall, Middlesex, UB1 3EJ	31,923.49
CI01	Ilapak Limited	Chalfont House, Silverdale Rd, Hayes, UB3 3BN	780.00
CI02	ILS - International Laboratory S	Shardlow Business Park, London Road, Derby, DE72 2GD	509.46
CI04	ITS Testing Services (UK) Limited	Intertek, Exploration Drive, Aberdeen Science and Energy Park, Bridge of Don, Aberdeen, AB23 8HZ	1,687.58
CJ00	Johnsons Apparelmaster Limited	263D New Cross Rd, London, SE14 5UQ	877.34
CL00	Lancashire Direct Halal Meat Limited	Eden Street, Blackburn, Lancashire, BB1 3AR	9,720.00
CL01	Leeways Packaging Services Limited	Lobstock, Gloucester, GL2 8AN	1,231.70
CL02	Lyreco UK Limited	1-2 Melford Court, Hardwick Grange, Warrington, WA1 4RZ	93.88
CM00	Metro Bank plc	One Southampton Row, London, WC1B 5HA	74,000.00
CN00	Needlers Limited	Reldeen House, Wyke Way, North Ferriby, HU14 3BQ	141.85
CP00	Pitney Bowes	Unit 5 Trident Place, Mosquito Way, Hatfield, AL10 9UJ	57.89
CR00	RDS Transport	transportrds@gmail.com	5,576.83
CS00	Sharpak Yate Limited	Highway, Bristol, BS37 7AA	3,801.33
CS01	Shyam Food Limited	16 Rotherby Avenue, Leicester, LE4 6HB	2,721.66
CS02	Signatrol Limited	Unit E2, Green Lane Business Park, Tewkesbury, GL20 8SJ	145.80
CS03	Sleaford Quality Foods Limited	Woodbridge Road, East Road Industrial Estate, Sleaford, Lincolnshire, NG34 7JX	1,260.00
CS04	Startfresh Limited	Units 7/8, Southglade Food Park Gala Way, Hucknall Road, Nottingham, NG5 9RG	699.97
CS05	St James Foods Limited	Unit 67, Mill Mead Industrial Centre,, Mill Mead Rd, London, N17 9QU	3,661.50
CS06	Severn Trent Water Limited	70 Margaret Street, London, W1W 8SS	9,508.96
CS07	Safetech Systems Limited	Safetech House, Springfield Road, Hayes, Middlesex, UB4 0TH	1,001.10
CS08	SME Asset Finance Limited	Kings Court, 2625 The Crescent, Birmingham Business Park, Birmingham, B37 7YE	57,000.00
CX00	XBM Limited	Access House, Nephshaw Lane South, Leeds, LS27 7JQ	27.73
51 Entries Totalling			518,372.62

Signature _____

Cornerstone Business Turnaround and Recovery Limited
Five Star Foods Limited
B1 - Company Creditors - Employees & Directors

Key	Name	Address	Pref £	Unsec £	Total £
RH00	Mr Syed Ali Raza Hussain	4 The Drive, Ickenham, Uxbridge, Middlesex, UB10 8AF		100,000.00	100,000.00
1 Entries Totalling			0.00	100,000.00	100,000.00

Signature _____

Cornerstone Business Turnaround and Recovery Limited
Five Star Foods Limited
C - Shareholders

Key	Name	Address	Type	Nominal Value	No. Of Called Up Shares	Paid Up
HB00	Mr Reza Bokharee		Ordinary	24,000.00	24,000	24,000.00
HH00	Mr Syed Afzaal Hussain		Ordinary	68,016.00	68,016	68,016.00
HH01	Mr Syed Alyas Hussain		Ordinary	12,000.00	12,000	12,000.00
HH02	Mr Syed Ali Reza Hussain		Ordinary	67,992.00	67,992	67,992.00
HH03	Mr Syed Asad Hussain		Ordinary	67,992.00	67,992	67,992.00
5 Ordinary Entries Totalling				48,000.00	240,000	240,000.00

Signature _____

FIVE STAR FOODS LIMITED - (IN ADMINISTRATION)

ESTIMATED FINANCIAL OUTCOME STATEMENT

FIVE STAR FOODS LIMITED - IN ADMINISTRATION
Administrators Estimated Outcome Statement as at 4 January 2018

	<u>Book Value at 13.11.2017</u>		<u>Realised / Paid to Date</u>		<u>Estimated Outcome</u>	
	£	£	£	£	£	£
Fixed Charge Assets						
Goodwill	-	-	-	-	-	-
Total Fixed Charge Asset Realisations		-		-		-
Fixed Charge Creditors						
Metro Bank plc (Note 1)	(74,000.00)	-	-	-	-	-
Deficiency to Fixed Charge Creditors o/d to Floating Charge Creditors	(74,000.00)	-	-	-	-	0.00
Hire Purchase Assets						
Encumbered Equipment - subject to auction (Note 2)	160,000.00	8,350.00	8,350.00	89,250.00	89,250.00	89,250.00
	160,000.00					
Hire Purchase Creditors						
SME Asset Finance Limited (Note 3)	(57,000.00)	-	-	(57,000.00)	(57,000.00)	(57,000.00)
Surplus o/d to Floating Charge Assets	103,000.00	-	-	32,250.00	32,250.00	32,250.00
Leasehold Premises						
Rent Deposit (Note 4)	41,000.00	-	-	41,000.00	41,000.00	41,000.00
Less: Landlord's Current Claim	(41,000.00)	-	-	(41,000.00)	(41,000.00)	(41,000.00)
Deficit o/d to Unsecured Creditors	0.00	0.00	0.00	0.00	0.00	0.00
Floating Charge Assets						
Surplus B/D from Hire Purchase	103,000.00	-	-	32,250.00	32,250.00	32,250.00
Unencumbered Equipment - subject to Auction sales (Note 2)	120,000.00	27,875.00	27,875.00	39,655.00	39,655.00	39,655.00
HMRC VAT Refund (Note 5)	30,700.00	-	-	25,700.00	25,700.00	25,700.00
Insurance Claim with AXA (Note 6)	Uncertain	-	-	Uncertain	Uncertain	Uncertain
Other (Note 2)	-	10,000.00	10,000.00	Uncertain	Uncertain	Uncertain
Total asset realisations	253,700.00	46,225.00	46,225.00	97,605.00	97,605.00	97,605.00
Expenses of Administration/Costs of Realisations (Note 7)						
Pre Appointment Fees	(7,500.00)	-	-	(7,500.00)	(7,500.00)	(7,500.00)
Estimation of Post Appointment Fees	-	-	-	(40,005.00)	(40,005.00)	(40,005.00)
Expenses	-	-	-	(2,036.00)	(2,036.00)	(2,036.00)
Auctioneers Fees - Clarke Fussells	-	-	-	(5,433.00)	(5,433.00)	(5,433.00)
Auctioneers Fees - Wyles Hardy	-	-	-	(13,902.75)	(13,902.75)	(13,902.75)
Legal Fees - JSF Law	-	-	-	(10,000.00)	(10,000.00)	(10,000.00)
Accountancy Fees - Abdullah and Abdullah	-	-	-	(7,500.00)	(7,500.00)	(7,500.00)
	(7,500.00)	0.00	0.00	(86,376.75)	(86,376.75)	(86,376.75)
Surplus (Deficiency) as regards Preferential Creditors	-	-	-	11,228.25	11,228.25	11,228.25
Preferential Creditors (Employees for Wages and Holiday Pay)						
Employees/ The Insolvency Service	-	0.00	0.00	0.00	0.00	0.00
Surplus/Deficiency as regard Non-Preferential Creditors	0.00	0.00	0.00	11,228.25	11,228.25	11,228.25
Prescribed Part Allocation for Unsecured Creditors - Dissapplied (Note 8)	-	-	-	-	-	-
Available to Floating Charge Creditor	-	-	-	(11,228.25)	(11,228.25)	(11,228.25)
Available to Unsecured Creditors	-	-	-	0.00	0.00	0.00
Unsecured Creditors						
Trade and Expense Creditors	(211,372.00)	-	-	0.00	0.00	0.00
HM Revenue & Customs - PAYE/NIC Contributions (Note 5)	(5,000.00)	-	-	-	-	-
HM Revenue & Customs - Corporation Tax	-	-	-	-	-	-
HM Revenue & Customs - VAT	-	-	-	-	-	-
Derby Enterprise Growth Fund Loan	(130,000.00)	-	-	0.00	0.00	0.00
Directors	(100,000.00)	-	-	0.00	0.00	0.00
	(446,372.00)	0.00	0.00	0.00	0.00	0.00
Total Suprus/(Deficiency) As Regards Creditors	-	0.00	0.00	(509,143.75)	(509,143.75)	(509,143.75)
Estimated Distribution to Unsecured Creditors (p/c)	-	-	-	0.00	0.00	0.00
Estimated Statutory Interest to Unsecured Creditors (at 8% p.a.)	-	-	-	0.00	0.00	0.00
Available for distribution to Shareholders	-	-	-	0.00	0.00	0.00
Shareholders						
Called up share capital	(240,000.00)	-	-	-	-	-
	(240,000.00)	0.00	0.00	0.00	0.00	0.00

SUMMARY FOR ALL CREDITORS

	<u>p in £</u>
Floating Charge Creditors	15.17
Preferential Creditors	n/a
Non-Preferential Creditors	0.00
Statutory Interest	Nil
Shareholders	Nil

Notes to Administrators Estimated Outcome Statement as at 4 January 2018

Note

1. Metro Bank plc hold a debenture incorporating fixed and floating charges which was created on 6 August 2014. As such the prescribed part provisions may apply in this case.
2. JSF Law currently hold £46,225 in an Escrow account which has been recovered from Clarke Fussells Auctioneers. These monies have been allocated accordingly to encumbered and unencumbered assets with a further £10,000 held on account of legal fees incurred by the Administration.
3. SME Asset Finance Limited granted three Hire Purchase agreements to the company and were owed £157,000. The directors of the company have recently paid £100,000 to SME Asset Finance Limited under the personal guarantees given in respect of the Hire Purchase agreements resulting in a balance of £57,000 being owed to them.
4. The company's landlord for the trading premises currently holds a rent deposit of £41,000 as security for liabilities due under the terms of the lease. The company's landlords current claim which is expected to rise due to dilapidations and extinguish any possibility of rent deposit being returned.
5. The VAT refund will be subject to Crown set off against other Crown liabilities due such as outstanding PAYE/NIC contributions. It is estimated that HM Revenue & Customs are owed £5,000 for outstanding PAYE/NIC contributions. The claim received from them to date totals £11,769 which is estimated and relates to assessments. Once final returns have been filed by the company's former accountants, this debt will be reduced to the estimated amount. Furthermore, the agreed claim will then be deducted from the VAT refund due under Crown set off.
6. There is an ongoing claim against the company's insurers in respect of the fire at the premises in February 2017.
7. The expenses and costs of realisations of the Administration are estimations of the fees the Administrator is likely to incur in completing the tasks required to serve the purpose of the Administration.
8. Where a floating charge is created after 15 September 2003 a prescribed part of the company's net property shall be made available to unsecured creditors. In this instance the Company's net property is estimated to be £11,228 and after allowing for the potential costs of that distribution, the net property will be less than the prescribed minimum (currently £10,000). Therefore the Administrator thinks that the cost of distributing the prescribed part would be disproportionate to the benefits. Therefore there will be no prescribed part in this Administration based on the figures included within the Estimated Outcome Statement.

FIVE STAR FOODS LIMITED – (IN ADMINISTRATION)

**THE ADMINISTRATOR'S RECEIPTS AND PAYMENTS ACCOUNT
TO 4 JANUARY 2018**

Five Star Foods Limited
(In Administration)
Administrator's Summary of Receipts & Payments
To 04/01/2018

S of A £		£	£
	SECURED CREDITORS		
(74,000.00)	Metro Bank plc (06.08.2014)	NIL	NIL
	HIRE PURCHASE		
89,250.00	Plant & Machinery	NIL	
(57,000.00)	SME Asset Finance Limited	NIL	
41,000.00	Rent Deposit	NIL	
(41,000.00)	Amber Real Estates (Landlord)	NIL	NIL
	ASSET REALISATIONS		
39,655.00	Plant & Machinery	NIL	
25,700.00	VAT Refund	NIL	
Uncertain	Insurance Refund	NIL	NIL
	UNSECURED CREDITORS		
(211,372.62)	Trade & Expense Creditors	NIL	
(100,000.00)	Directors	NIL	
(130,000.00)	Banks/Institutions	NIL	
(5,000.00)	HM Revenue & Customs	NIL	NIL
	DISTRIBUTIONS		
(240,000.00)	Ordinary Shareholders	NIL	NIL
(662,767.62)			NIL
	REPRESENTED BY		NIL

Engin Faik
Administrator

Five Star Foods Limited – In Administration

**BREAKDOWN OF PRE-ADMINISTRATION TIME COSTS FOR
CORNERSTONE BUSINESS TURNAROUND AND RECOVERY LIMITED**

Time Entry - SIP9 Time & Cost Summary

F006 - Five Star Foods Limited
Project Code: PRE
To: 13/11/2017

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.00	0.80	0.00	0.00	0.80	232.00	290.00
Case Specific Matters	23.70	8.80	0.00	0.80	33.30	10,983.00	329.82
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	23.70	9.60	0.00	0.80	34.10	11,215.00	328.89
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Five Star Foods Limited – In Administration

**CHARGE-OUT RATES AND BASES OF DISBURSEMENTS
("CORNERSTONE BUSINESS TURNAROUND
AND RECOVERY LIMITED'S SUMMARY")**

CHARGEOUT RATES AND DISBURSEMENT RECOVERY POLICY

Chargeout Rates

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), Cornerstone Business Recovery's ("CBR") chargeout rates applicable to this appointment, exclusive of VAT, are as follows:

	From 1 November 2013
	£ per hour
Directors / Office Holders	300 - 350
Senior Manager	300 - 315
Managers	280 - 295
Senior Executive	220 - 250
Executive	125 - 175
Secretaries and office admin support	80 - 110

Chargeout rates are normally reviewed annually on 1 July when rates are adjusted to reflect such matters as inflation; increases in direct wage costs; and changes to indirect costs such as Professional Indemnity Insurance. It is CBR's policy for the cashier's time spent on an assignment to be charged to the case. However, secretarial and office admin support time is charged only in respect of identifiable blocks of time devoted to the case where we consider it to be viable to do so. All time is recorded in 6 minute units.

Direct expenses ("Category 1 Disbursements")

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case will be charged to the estate at cost, with no uplift. These include but are not limited to such items as case advertising, storage, online reporting facilities, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

Indirect expenses ("Category 2 Disbursements")

It is our normal practice to also charge the following indirect disbursements ("Category 2 Disbursements as defined by SIP 9) to the case, where appropriate:

Circulars to creditors

Plain/headed paper including photocopying	12p per side
Envelopes	12p each
Postage	Actual cost

Room Hire

For the convenience of creditors and to save the cost of booking an outside hotel room, meetings of creditors are occasionally held internally at our offices. Where meetings of creditors are held in one of our internal meeting rooms, a charge of £100 plus VAT is levied to cover the cost of booking the room.

Travel

Mileage incurred as a result of any necessary travelling is charged to the estate at the H M Revenue & Customs approved rate, currently 45p per mile.

All of the above costs are subject to amendment by the firm at any time and if amended will be notified to creditors with the next circular sent to all creditors.

Company Searches & Electronic Verification of Identity

Included in expense and/or disbursements, Company Searches and electronic Verification of Identity include an element of shared costs. Such expenses are of an incidental nature but are generally incurred on each case. In line with the cost of the external provision of such services, a charge of £15 plus VAT is levied to cover the cost of these searches.

Five Star Foods Limited – In Administration

**BREAKDOWN OF THE ADMINISTRATOR'S
TIME COSTS FROM 13 NOVEMBER 2017 TO 04 JANUARY 2018.**

Time Entry - Detailed SIP9 Time & Cost Summary

F006 - Five Star Foods Limited
 From: 13/11/2017 To: 04/01/2018
 Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
204 : Cashiering: Non-trading	0.00	0.30	0.00	0.00	0.30	87.00	290.00
700 : Formalities	0.00	12.80	0.00	0.20	13.00	3,758.00	289.08
702 : General Case Administration	9.70	5.40	0.00	0.50	15.60	5,044.00	323.33
703 : General Case Administration (Admin and planning)	0.00	0.70	0.00	0.00	0.70	203.00	290.00
Admin & Planning	9.70	19.20	0.00	0.70	29.60	9,092.00	307.16
600 : Case Specific	0.00	0.40	0.00	0.00	0.40	116.00	290.00
Case Specific Matters	0.00	0.40	0.00	0.00	0.40	116.00	290.00
501 : Unsecured Creditors	0.00	2.80	0.00	0.00	2.80	812.00	290.00
505 : Report / Secured Creditor	0.00	1.60	0.00	0.00	1.60	464.00	290.00
506 : Secured Creditor - Correspondence/Communication	0.50	1.40	0.00	0.00	1.90	551.00	305.79
Creditors	0.50	5.80	0.00	0.00	6.30	1,857.00	294.76
300 : Identifying / Securing & Insuring	5.60	0.00	0.00	0.00	5.60	1,960.00	350.00
303 : Book Debts	0.00	0.20	0.00	0.00	0.20	58.00	290.00
304 : Plant & Machinery / Motor Vehicles	5.50	1.00	0.00	0.00	6.50	2,215.00	340.77
306 : Other Assets	0.00	26.80	0.00	0.00	26.80	7,772.00	290.00
Realisation of Assets	11.10	28.00	0.00	0.00	39.10	12,005.00	307.83
Total Hours	21.30	53.40	0.00	0.70	75.40	23,070.00	305.97
Total Fees Claimed						0.00	

Five Star Foods Limited – In Administration

INFORMATION TO SUPPORT THE ADMINISTRATOR'S FEE PROPOSAL

Introduction

The following information is provided to creditors to enable them to consider the Administrator's remuneration. It is a summary of key issues, to assist creditors in understanding the strategy of the Administrator, the associated costs and expenses of the related activities and the financial benefit to creditors.

This document should be read in conjunction with the Administrator's Proposals' which provides further details of the assets, liabilities and estimated return to creditors, if any. Particular reference is made to the Appendices entitled:

- Analysis of Time Incurred – Appendix IV
- Fee Estimate – Appendix VI
- Estimated Expenses of the Administration – Appendix VII

Estimated Fees and Expenses

The Administrator proposes that his fees be based on time costs. The amount expected to be drawn in fees by the Administrator over the life of the case i.e for the period of 13 November 2017 to 12 November 2018 is detailed in Appendix VI.

The Administrator estimates the expenses of the Administration to total £38,277 (as shown in Appendix VII Estimated Expenses of the Administration). This illustrates the estimated expenses for the whole of the Administration and is for information purposes (i.e. not for approval by any class of creditor). This estimate may change over the course of the Administration but creditors will be informed of any variations with associated reasons in the Administrator's future progress reports.

As detailed in the main report, the Secured Creditor is asked to approve the fee basis (time costs and also the Fee Estimate in the total sum of £40,005).

Estimated Return to Creditors

The outcome for all classes of creditor is referred to in detail in the main body of the report, the contents of which have been summarised for reference below.

Secured Creditors**Metro Bank PLC**

There will be no funds available to enable a distribution to be made to Metro Bank PLC under its fixed charge security as no fixed charge realisations are expected. However, based upon current estimates, it is anticipated that there will be sufficient realisations to enable a distribution to be made to Metro Bank under its floating charge security. Although the quantum of this distribution is currently unknown and the amount will be subject to the following:-

- The level of asset realisations.,
- If any preferential claims are made.
- The amount set aside of for a Prescribed Part to be made available to non-preferential creditors if sufficient realisations are made to enable the provisions to apply: and
- The Administrators Estimated Expenses of the Administration as attached.

Preferential Creditors

There are no preferential creditors expected.

Prescribed Part

As advised in the proposals, the Company granted a floating charge to Metro Bank PLC on 6 August 2014 and, as such the Prescribed Part provisions will apply in this case. The net property of the Company, according to the Administrator's estimate of the financial position of the Company as at the date of this report is £11,228. It therefore estimated that the Prescribed Part of the net property for non-preferential creditors be approximately £5,245. For the reasons detailed in the proposals, the Administrator will disapply the prescribed part allocation in this case.

Creditors should note that the Prescribed Part figure is likely to change due to the level of floating charge realisations ultimately achieved and the costs of the Administration associated with the floating charge assets.

Non-Preferential Creditors

Based upon the current information available, it is anticipated that there will be insufficient realisation to enable a distribution to the non-preferential creditors of the Company, other than from the Prescribed Part. If not already done so, creditors of the Company should complete the Proof of Debt Form at Appendix VI and return the same to the Administrator in order to submit their claim. .

Strategy

Asset Realisation

The sale of the Company's assets was being conducted by CFL prior to the appointment as Administrator on the instructions of the Company's directors. To date, they have sold £36,225 of plant & machinery, £8,350 of which is due to SMEAF under their Hire Purchase agreements. These funds have been collected and are currently held by solicitors JSF. The remaining assets are expected to realise £92,680, the majority (£80,900) of which will be attributable to the Hire Purchase creditor who is currently owed £57,000. As a result, this will enable a surplus of £32,250 for the benefit of the floating charge creditor, Metro Bank PLC.

CFL fee's include the marketing and auction process in disposing of the assets of the business. These fees total £5,433 and are fixed on a percentage of realisations basis agreed by the directors at 15%. It will be a matter for the Administrator to review these fees.

It is expected that new instructions will be given to Messrs Wyles Hardy to finalise the disposal of the remaining assets. From the value of the remaining assets, it is

expected that their Agents fees will total £13,902 which will also be agreed on percentage of realisations basis set at 15%.

To assist in recovering the VAT refund due from HM Revenue & Customs, the Administrator has instructed the Company's former accountants, Abdullah and Abdullah Accountants to complete and finalise all outstanding returns. The accountants fees are not expected to exceed £7,500 in conducting this work and any additional matters for which they are retained. It is anticipated that £25,700 will be due to the Company.

As shown on Appendix IV time costs of £12,005 have already been incurred in realising the assets to date and it is expected that a further £5,510 in time costs will be accrued in finalising the disposal of the Company assets.

Therefore, the net benefit to the Administration in realising all of the company's assets is £53,255..

On present information it is estimated that the Administrators time costs realising assets will be £17,515 of which £12,005 has already been incurred. The associated expenses are estimated at £26,835.

Investigations

It is a statutory requirement that the Administrator provides a report to the Secretary of State on the conduct of the Directors in their management of the Company to determine any unfitness to act in such a role.

This will entail a broad level of investigation to ensure that best practice standards are met and the Fee Estimate reflects this standard. If the Secretary of State then instigates Directors Disqualification proceedings, further time may be incurred in providing supporting documents, witness statements etc. Such investigation may or may not lead to further asset recovery so creditors should not assume that this activity will provide a monetary benefit to the Administration estate.

Further details of the investigations to be conducted cannot be disclosed at this stage in order to avoid prejudicing any potential recovery or action in this regard. To date, the Administrator has not incurred costs of dealing with this matter. However, costs are expected of £7,335 in attending to investigation matters over the course of the Administration as per the Fee Estimate.

Administration & Planning

An Administrator is highly regulated required to conform to insolvency legislation industry Best Practice policies (Statements of Insolvency Practice) and relevant case law. Consequently, the Administrator is obliged to undertake many activities that could not provide a financial benefit to creditors. Such matters will include but are not restricted to Anti Money Laundering, Bribery Act and Ethical considerations and checks, statutory advertising, regular reporting to creditors including fee agreement procedures, obtaining and securing company books and records, pension review and liaison with the Pension Protection Fund. Companies House filing, completion and release of insolvency bond and various Treasury/Cashiering functions.

In addition to the above, other matters include time spent reviewing the strategy of the Administration and dealing with general matters surrounding the progress of the case.

To date the Administrator has incurred costs of £9,092 in dealing with this matter and this figure is expected to increase to £11,750 in dealing with this matter over the course of the Administration as per the Fee Estimate.

This is not likely to have a financial benefit to the Administration although these matters are required to follow best practice guidelines and insolvency law.

Creditors & Members

To date, time costs of £1,857 have been incurred in relation to Creditors and Members and this is expected to increase to around £2,815 over the course of the Administration. This relates to time spent addressing creditors correspondence, maintaining up to date creditor information, reviewing claims received and requesting additional information from creditors in support of their claim, where applicable.

This is not likely to have a benefit to non-preferential creditors unless a distribution is made to them via the prescribed part. In which case it is likely a further estimate will be submitted to detail the time expected in making a distribution to creditors.

Five Star Foods Limited – In Administration

THE ADMINISTRATOR’S FEE ESTIMATE

a) The Administrator’s Fees Estimate

Please note that this estimate (attached) reflects the work undertaken and time anticipated to be incurred for the full period of the Administration and thus it includes the time already incurred, details of which are provided in Appendix IV.



Five Star Foods Limited

LIQUIDATORS ESTIMATE OF FEES AND EXPENSES

CATEGORY: ADMIN & PLANNING	Hourly Rate (£)	Time Estimated to be Spent (Hours: Minutes)	Total Cost of Estimated Time to be Spent (£)	TASK SUMMARY
Insolvency Practitioner	350	12	4,200	Case Planning & Strategy; Case set up on various databases/ office systems, including the Insolvency Practitioner System, time recording system, etc; Draft, review and despatch Statutory Notices on appointment and advertisement of the same; calculating and undertaking periodic reviews of the insolvency bond; management of bank accounts, cash book, receipts and payments accounts, bank reconciliations; Routine correspondence, postal redirection; general meetings on members, creditors and committees (where applicable); Supervision and control of case progress and key issues; Case progress reviews; completing and reviewing case checklists; annual progress reports, filing at Companies House or at Court or other public bodies, Quangos, etc;
Senior Executive	295	22	6,490	correspondence and completion/ submission of returns to HMRC (for VAT, Corporation Tax, PAYE/NIC, CIS, as appropriate); Case closing procedures including: collating and drafting final report to members and creditors, seeking case closure clearance from HMRC, final advertisements, convening and holding final meetings of members and creditors, final submissions to Companies House, etc
Executive	175	4	700	
Cashier and Support Staff	90	4	360	
Totals		42	11,750	
CATEGORY: ASSET REALISATION				
Insolvency Practitioner	350	15	5,250	Arranging suitable insurance; Requesting closure of company's bank account together with any post appointment receipts (if any); Instructing and liaising with solicitors to assist in the Litigation claim; Examining company records to support the litigation claim; Instructing agents to dispose of known assets; Liaising with agents with regards to strategies for disposal; corresponding with solicitors; instructing accountants to file outstanding HMRC returns to assist in obtaining VAT refund; liaising with Hire Purchase creditor regarding settlement of agreements.
Senior Executive	295	38	11,210	
Executive	175	5	875	
Cashier and Support Staff	90	2	180	
Totals		60	17,515	

CATEGORY: INVESTIGATIONS					
Insolvency Practitioner	350	8	2,800	Recovering books, papers and records pertaining to the Company's affairs; thereafter cataloguing the same and sending for storage; Carrying out an investigation in order to discharge duty under the Company Directors Disqualification Act 1986 and associated SIP4, thereafter preparing a report or return on the conduct of the directors as required by the Act; Conducting an initial investigation pursuant to SIP2 in order to identify potential misfeasance actions, antecedent transactions and other potential asset recoveries; seeking information/ documentation from relevant third parties, such as the banks, accountants, solicitors and other professional advisers; Reviewing books and records to identify any transactions or causes of action the office holder may take against a third parties (non-officers); Preparation, conduct and negotiation of dispute resolution process, including ADR (e.g. mediation), litigation, settlements etc.; Seeking sanction of or reporting to creditors, members, court, Sec of State, as applicable. Enforcement of any such settlement, judgment, etc	
Senior Executive	295	13	3,835		
Executive	175	4	700		
Cashier and Support Staff	90	-	-		
Totals		<u>25</u>	<u>7,335</u>		
CATEGORY: CREDITORS & MEMBERS					
Insolvency Practitioner	350.00	2	700	Addressing creditor correspondence, emails and telephone conversations regarding their claims; Maintaining up to date creditor information on IPS and in case papers; Reviewing proofs of debt received from creditors, adjudicating claims and formally admitting to rank for dividend purposes; Requesting additional information from creditors in support of their claims, where applicable.	
Senior Executive	295.00	3	885		
Executive	175.00	6	1,050		
Cashier and Support Staff	90.00	2	180		
Totals		<u>13</u>	<u>2,815</u>		
CATEGORY: CASE SPECIFIC MATTERS					
Insolvency Practitioner	350	-	-	Any other matters not falling with any of the other specific categories. Although infrequently applicable, creditors will be provided with full particulars of the work falling within this category in the appropriate case.	
Senior Executive	295	2	590		
Executive	175	-	-		
Cashier and Support Staff	90	-	-		
Totals		<u>2</u>	<u>590</u>		
Summary		Time	Cost		
Admin and Planning		42	11,750		
Asset Realisation		60	17,515		
Investigations		25	7,335		
Creditors		13	2,815		
Case Specific		<u>2</u>	<u>590</u>		
Overall Total		<u>142</u>	<u>40,005</u>		

Five Star Foods Limited – In Administration

THE ADMINISTRATOR'S EXPENSES ESTIMATE

b) The Administrator's Expenses Estimate

Below is the expenses estimate in respect of category 1 direct expenses and category 2 expenses, which will have an element of shared or allocated costs.

Please note that this estimate reflects the expenses anticipated to be incurred for the full period of the Administration and thus it includes expenses already incurred, details of which are provided elsewhere in this document.

Expenses Category 1	Basis	Estimate of total
Legal costs JSF Law have been instructed to provide advice in respect of validity of security and appointment, potential rights of action and to liaise with auctioneers instructed prior to the Administration with regards to asset sales.	Time-costs	£10,000.00
Agents and Valuers Clarke Fussells Limited were instructed by the directors of the company prior to Administration to auction the company's assets. Those instructions have not been adopted by the Administrator and the Administrator intends to instruct Wyles Hardy and Co to finalise the disposals of the company assets.	%15 of recoveries for both firms.	£19,336.00
Accounting fees Abdullah and Abdullah are to be instructed to providing corporation tax returns, dealing with any profit on sale of assets, providing advice and calculating any termination loss claim, and any VAT advice required – particularly to assist in the collection of the VAT refund due.	Time-costs	£7,500.00
Advertising	Actual	£330.00
Bank charges	Actual	£96.00
Bonding	Actual	£528.00
Insurance	Actual	£487.20
Total		£38,277.20

Expenses Category 2	Basis	Estimate of total
Stationery / fax / postage / telephone	See Cornerstone Policy of Fees and Expenses	£245.00
Internal storage of Insolvency Practitioner's working papers	£40 per annum for 3 years	£120.00
Mileage (own car usage)	45p per mile	£230.00
Total		£595.00

Please note that this estimate has been provided on the assumptions given in Section 6. In the event that it proves necessary for the Administrator to incur additional expenses in performing his duties, he will provide further details in his progress report, but there is no statutory obligation to ask creditors to approve any adjusted estimate.

Five Star Foods Limited – (In Administration)

STATEMENT OF CREDITORS' RIGHTS

Information for creditors on remuneration and disbursements of Administrator

Information regarding the fees and disbursements of an Administrator including details of the Cornerstone Business Turnaround and Recovery Limited disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called Creditors' Guide to Administrators Fees'. This can be viewed and downloaded from the Administrators' website at <http://www.cornerstonerecovery.co.uk>. Should you require a copy, please contact this office.

Creditors have the right to request information from the office-holder under rule 18.9

A secured creditor, a non-preferential creditor with the concurrence of at least 5% in value of the non preferential creditors (including the creditor in question) or any non-preferential creditor with the permission of the court may make a written request to the office-holder for further information concerning remuneration or expenses. Such a request must be made within 21 days of receipt of this report and a response will be provided within 14 days of receipt of the request

Creditors have recourse to court, application to be made within 21 days of the office holder giving reasons for not providing all the information requested or the expiry of the 14 days within which an office holder must respond to a request.

Creditors have the right to challenge the office holder's remuneration and expenses under rule 18.34

A secured creditor, a non preferential creditor with the concurrence of at least 10% in value of the non-preferential creditors (including that creditor) or any non preferential creditor with the permission of the court, may make an application to court on the ground that the remuneration charged or expenses incurred are excessive and/or that the basis fixed for the office holders remuneration is inappropriate. The application to court must be made no later than eight weeks after receipt of the Progress report where the charging of the remuneration of the incurring of expenses in question occurs.

Five Star Foods Limited – (In Administration)

**NOTICE OF DECISION PROCEDURE INCLUDING VOTING FORM AND
PROOF OF DEBT**

NOTICE OF DECISION PROCEDURE

Company Name: Five Star Foods Limited (In Administration) ("the Company")

Company Number: 08781024

In the High Court of Justice - Birmingham District no. 8310 of 2017

This Notice is given under Rule 15.8 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Administrator of the Company, Engin Faik, of Cornerstone Business Turnaround and Recovery Limited, 136 Hertford Road, Enfield, EN3 5AX (telephone number 020 3793 3338), who was appointed by the directors of the Company.

Creditors are invited to vote by correspondence on the following (for the full wording of proposed decisions, see overleaf):

1. The establishing of a Creditors' Committee, if sufficient creditors are willing to be members of a Committee¹
2. The basis of the Administrators' fees
3. The approval of the Administrators' Category 2 disbursements
4. The approval of the pre-Administration costs
5. The timing of the Administrators' discharge

Overleaf is a voting form on which creditors may signify their decisions on the above matters. All voting forms, together with a proof of debt if one has not already been submitted, must be completed and returned to the Administrator by one of the methods set out below:

By post to: Cornerstone Business Turnaround and Recovery Limited, 136 Hertford Road,
Enfield, EN3 5AX

By fax to: 020 3793 3341

By email to: r.sinclair@cornerstonerecovery.co.uk

Please note that, if you are sending votes by post, you must ensure that you have allowed sufficient time for the forms to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

All voting forms and proofs of debt must be delivered by 23.59 on the Decision Date, 19 January 2018.

If the Administrator has not received a proof of debt by the time specified above (whether submitted previously or as a result of this Notice), that creditor's vote will be disregarded. Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the

¹ Please see the Notice Inviting Creditors to Form a Committee for further instructions.

Rules must still deliver a proof if the creditor wishes to vote. A creditor who has opted out from receiving notices may nevertheless vote if the creditor also provides a proof by the time specified above.

Creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider the matter.

Statutory thresholds to request a meeting: 10% in value of the creditors
10% in number of the creditors
10 creditors

A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 21 days after the Decision Date.

Signed: Engin Faik Dated: 4/1/18
Engin Faik
Administrator

VOTE BY CORRESPONDENCE

Five Star Foods Limited (in Administration)

Name of Creditor: _____

Address: _____

Decisions:

1	That a Creditors' Committee be established if sufficient creditors are willing to be members of a Committee. ²	*For / Against
2	That the Administrators' fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken.	*For / Against
3	That the Administrator be authorised to recover all Category 2 disbursements, calculated on the bases detailed in Cornerstone Business Turnaround and Recovery Limited's summary.	*For / Against
4	That the unpaid pre-Administration costs set out in the Administrators' Proposal be approved.	*For / Against
5	That the Administrator be discharged from liability in respect of any action undertaken by them pursuant to Paragraph 98 of Schedule B1 of the Act, such discharge to take effect when the appointment of Administrator ceases to have effect, as defined by the Act, unless the court specifies a time.	*For / Against

* Please delete as applicable to indicate your voting instructions

Signed: _____ Dated: _____

Name in capitals: _____

Position with, or relationship to, creditor or other authority for signature:

Are you the sole member/shareholder of the creditor (where it is a company)? Yes / No

NOTE: Once a vote has been cast, it cannot be changed.

Please complete this form and return it, along with a completed proof of debt if you have not submitted one previously, so that it is delivered by 23.59 on 19 January 2018, by:

Post: Cornerstone Business Turnaround and Recovery Limited, 136 Hertford Road, Enfield, EN3 5AX

Fax: 020 3793 3341

Email: please scan in a signed copy of this form and attach it as a pdf to r.sinclair@cornerstonerecovery.co.uk

² Please see the Notice Inviting Creditors to Form a Committee for further instructions. Please note that, in the event that a Creditors' Committee is formed, authority to approve decisions 2, 3, 4 and 5 proposed above may be exercised by the Committee.

PROOF OF DEBT - GENERAL FORM

Five Star Foods Limited (in Administration)

Date of Administration: 13 November 2017

DETAILS OF CLAIM		
1.	Name of Creditor (if a company, its registered name)	
2.	Address of Creditor (i.e. principal place of business)	
3.	If the Creditor is a registered company: <ul style="list-style-type: none"> For UK companies: its registered number For other companies: the country or territory in which it is incorporated and the number if any under which it is registered The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act 	
4.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	£
5.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£) / NO
6.	Particulars of how and when debt incurred	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Details of any reservation of title in relation to goods to which the debt relates	
9.	Details of any document by reference to which the debt can be substantiated. [The administrator may call for any document or evidence to substantiate the claim at his discretion.]	
10.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986	Category Amount(s) claimed as preferential £
AUTHENTICATION		
Signature of Creditor or person authorised to act on his behalf		
Name in BLOCK LETTERS		
Date		
If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor		
Are you the sole member of the Creditor?		YES / NO

Five Star Foods Limited – (In Administration)

NOTICE SEEKING DEEMED CONSENT

NOTICE SEEKING DEEMED CONSENT

Company Name: Five Star Foods Limited (In Administration) ("the Company")

Company Number: 08781024

In the High Court of Justice - Birmingham District no. 8310 of 2017

This Notice is given under Rule 15.7 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Administrator of the Company, Engin Faik, of Cornerstone Business Turnaround and Recovery Limited, 136 Hertford Road, Enfield, EN3 5AX (telephone number 020 3793 3338), who was appointed by the directors of the Company.

The Administrator proposes that the following decisions be made:

A. That the Administrators' Proposals be approved

1. *the Administrator continues the Administration to deal with such outstanding matters in relation to the Company as the Administrator considers necessary until such time as the Administration ceases to have effect.*
2. *the Administrator continues to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration, in particular that:*
3. *he sells the Company's assets at such time(s) and on such terms as he considers appropriate;*
4. *he investigates and, if appropriate, pursues any claims that the Company may have against any person, firm or company, whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company;*
5. *he does all such things and generally exercises all his powers as Administrator as contained in Schedule 1 of the Act or otherwise as he in his sole and absolute discretion considers desirable or expedient in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these activities;*
6. *the Administrator, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar of Companies to the effect that the Company has no remaining property which might permit a distribution to its creditors, at which stage the Administration will cease;*
7. *the Administrator where he consider that there are funds available to be distributed to the non-preferential creditors (other than under the Prescribed Part) take the necessary steps to put the Company into either CVL or into Compulsory Liquidation as he in his sole and absolute discretion deems appropriate. It is proposed that the Administrator, Engin Faik of Cornerstone would act as Liquidator should the Company be placed into CVL. (In accordance with Paragraph 83(7) of Schedule 81 to the Act and Rule 3.60(6)(b) of the Rules creditors may nominate a different person as the proposed Liquidator provided the nomination is received at this office prior to the approval of the Proposals. In the absence of such nomination, the Administrator will be appointed the Liquidator)*

8. *the Administrator make distributions to any secured or preferential creditors in accordance with Paragraph 65 of Schedule B1 of the Act. Further, he may make a distribution to unsecured creditors, having first sought the court's permission in accordance with Paragraph 65(3) of Schedule B1 of the Act where necessary;*
9. *the Administrator ends the Administration in one of the following ways, appropriate to the circumstances of the case at the time:*
10. *in the event that there is no remaining property that might permit a distribution to the Company's creditors, he shall file a notice of dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Act; or*
11. *in the event that the Administrator thinks that a distribution will be made to unsecured creditors (and he has not sought the court's permission, and is otherwise unable, to pay the distribution whilst the Company is in Administration), he shall send to the Registrar of Companies notice to move the Company from Administration to Creditors' Voluntary Liquidation. In such circumstances, Engin Faik will be appointed Liquidator and will be authorised to act separately in undertaking his duties as Liquidator. Creditors may nominate a different person or persons as the proposed liquidator or liquidators in accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 3.60(6)(b) of the Rules, but they must make the nomination or nominations at any time after they receive the Statement of Proposals, but before it is approved.*
12. *alternatively, and should there be no likely funds to distribute to unsecured creditors, the Administrator may seek to place the Company into Compulsory Liquidation in order to bring proceedings that only a Liquidator may commence for the benefit of the estate. In such circumstances, Engin Faik may ask the court that he be appointed Liquidator, to act separately in undertaking his duties as Liquidator.*

B That a Creditors' Committee will not be established¹

In respect of each of the decisions proposed above, if less than 10% in value of creditors (who would be entitled to vote if a vote were taken) ("the Threshold") object to it in accordance with the procedure set out below, the creditors are to be treated as having made the proposed decision. Otherwise, the creditors are to be treated as not having made such decision and if a decision about that matter is again sought from the creditors, it must be sought using a qualifying decision procedure as defined by the Insolvency Act 1986.

In order to object to one or more of the proposed decisions, you must deliver a notice stating that you so object (and specifying to which one or more of the proposed decisions your objection relates) to the Administrator not later than the time set out below. In addition, you must have also delivered a proof of debt (unless one has already been submitted) by the time set out below, failing which your objection will be disregarded.

It is the Administrator's responsibility to aggregate any objections to see if the Threshold is met for the decision to be taken as not having been made.

¹ Please see the Notice Inviting Creditors to Form a Committee for further instructions.

If the Threshold is met, the deemed consent procedure will terminate without a decision being made and if a decision is sought again on the same matter it will be sought by a decision procedure.

All objections and proofs of debt must be submitted in writing to the Administrator by one of the methods set out below:

By post to: Cornerstone Business Turnaround and Recovery Limited, 136 Hertford Road, Enfield, EN3 5AX

By fax to: 020 3793 3341

By email to: r.sinclair@cornerstonerecovery.co.uk

Please note that, if you are sending documents by post, you must ensure that you have allowed sufficient time for them to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

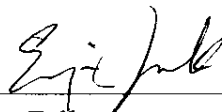
All objections and proofs of debt must be delivered by 23.59 on the Decision Date, 19 January 2018.

Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to object. A creditor who has opted out from receiving notices may nevertheless object if the creditor also provides a proof by the time specified above.

In addition, creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider any matter.

Statutory thresholds to request a meeting: 10% in value of the creditors
10% in number of the creditors
10 creditors

A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 21 days after the Decision Date.

Signed: 
Engin Faik
Administrator

Dated: 4 / 1 / 18

Five Star Foods Limited – (In Administration)

NOTICE OF INVITATION TO FORM A CREDITORS' COMMITTEE

NOTICE OF INVITATION TO FORM A CREDITORS' COMMITTEE

Company Name: Five Star Foods Limited (In Administration) ("the Company")

Company Number: 08781024

In the High Court of Justice - Birmingham District no. 8310 of 2017

This Notice is given under Rule 3.39 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Administrator of the Company, Engin Faik, of Cornerstone Business Turnaround and Recovery Limited, 136 Hertford Road, Enfield, EN3 5AX (telephone number 020 3793 3338), who was appointed by the directors of the company.

Creditors are invited to nominate creditors (which may include themselves) by completing the section below and returning this Notice to the Administrator by one of the following methods:

By post to: Cornerstone Business Turnaround and Recovery Limited, 136 Hertford Road, Enfield, EN3 5AX

By fax to: 020 3793 3341

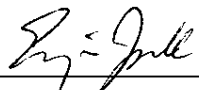
By email to: r.sinclair@cornerstonerecovery.co.uk

Please note that, if you are sending nominations by post, you must ensure that you have allowed sufficient time for the Notice to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

All nominations must be delivered by: 23.59 on 19 January 2018

Nominations can only be accepted if the Administrator is satisfied as to the nominated creditor's eligibility under Rule 17.4 of the Rules.

For further information on the role of Creditors' Committees, go to: www.r3.org.co.uk

Signed:  Dated: 4/1/18
Engin Faik
Administrator

NOMINATIONS FOR MEMBERS OF A CREDITORS' COMMITTEE

Five Star Foods Limited (In Administration)

On behalf of (name of Creditor): _____ ,

at (address of Creditor): _____ ,

I nominate the following creditor(s) to be member(s) of a Creditors' Committee (provide name(s) and address(es)):

1. _____

2. _____

3. _____

Signed: _____

Dated: _____

Name in capitals: _____

Position with, or relationship to, Creditor or other authority for signature:

Are you the sole member/shareholder of the Creditor (where it is a company)?

Yes / No
