

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

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refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 9 8 7 9 1 0 6

Company name in full Chef's Flavours Limited

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

### 2 Liquidator's name

Full forename(s) Susan

Surname Clay

### 3 Liquidator's address

Building name/number Ground Floor

Street 16 Columbus Walk, Brigantine Place,

Post town Cardiff

County/Region

Postcode C F 1 0 4 B Y

Country

### 4 Liquidator's name ①

Full forename(s) Katrina

Surname Orum

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

### 5 Liquidator's address ②

Building name/number Ground Floor

Street 16 Columbus Walk, Brigantine Place,

Post town Cardiff

County/Region

Postcode C F 1 0 4 B Y

Country

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

LIQ03

## Notice of progress report in voluntary winding up

**6****Period of progress report**

From date

<sup>d</sup>2<sup>d</sup>0<sup>m</sup>1<sup>m</sup>2<sup>y</sup>2<sup>y</sup>0<sup>y</sup>2<sup>y</sup>2

To date

<sup>d</sup>1<sup>d</sup>9<sup>m</sup>1<sup>m</sup>2<sup>y</sup>2<sup>y</sup>0<sup>y</sup>2<sup>y</sup>3**7****Progress report**☒ The progress report is attached**8****Sign and date**

Liquidator's signature

Signature

**X** *Shirley***X**

Signature date

<sup>d</sup>0<sup>d</sup>7<sup>m</sup>0<sup>m</sup>2<sup>y</sup>2<sup>y</sup>0<sup>y</sup>2<sup>y</sup>4

**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

Susan Clay

Company name

Begbies Traynor

Address

Ground Floor

16 Columbus Walk, Brigantine Place,

Post town

Cardiff

County/Region

Postcode

C F 1 0 4 B Y

Country

DX

Telephone

029 2089 4270

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

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

**Where to send**

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

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

**Further information**

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This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

# Chef's Flavours Limited

## In Liquidation

### Joint Liquidators' Summary of Receipts and Payments (Accruals Basis)

Statement of Affairs £	From 20 December 2022 To 19 December 2023 £	From 20 December 2022 To 19 December 2023 £
<b>ASSET REALISATIONS</b>		
NIL Leasehold Improvements	0.00	0.00
Uncertain Intellectual Property (to include domain, social m	76,500.00	76,500.00
2,500.00 Stock for Sale	3,195.27	3,195.27
2,000.00 Office Furniture and Equipment	815.00	815.00
18,000.00 Plant and Equipment	45,718.00	45,718.00
Uncertain Property Rights/Patents	0.00	0.00
Insurance Refund	327.47	327.47
Corporation Tax Refund	10,348.46	10,348.46
Rates Refund	486.39	486.39
Bank Interest Gross	1,241.00	1,241.00
	138,631.59	138,631.59
<b>COSTS OF REALISATION</b>		
Bordereau Premium	690.00	690.00
Preparation of S. of A./ Directors' Report	3,500.00	3,500.00
Pre liquidation expenses	192.00	192.00
Agents/Valuers Fees	16,823.98	16,823.98
Legal Fees	2,000.00	2,000.00
IT Costs	55.00	55.00
Stationery, Postage, Office costs	24.96	24.96
Statutory Advertising	152.00	152.00
	(23,437.94)	(23,437.94)
<b>PREFERENTIAL CREDITORS</b>		
(383.36) Employee Arrears/Hol Pay	0.00	0.00
	0.00	0.00
<b>SECONDARY PREFERENTIAL CREDITORS</b>		
(3,553.91) HM Revenue & Customs	0.00	0.00
(1,151.55) HMRC	0.00	0.00
	0.00	0.00
<b>UNSECURED CREDITORS</b>		
(21,040.03) Trade & Expense Creditors	0.00	0.00
(34,429.75) Employees / Directors	0.00	0.00
(41,015.00) Banks/Institutions	0.00	0.00
(11,500.00) Landlord	0.00	0.00
(45,716.26) Associated Company Loan	0.00	0.00
	0.00	0.00
<b>DISTRIBUTIONS</b>		

Statement  
of Affairs  
£

(2.00) Ordinary Shareholders

(136,291.86)

REPRESENTED BY

Vat Receivable

Bank 1 Current

Office Holders Accruals

Vat Payable

Vat Control Account

From 20 December 2022 To 19 December 2023 £	From 20 December 2022 To 19 December 2023 £
0.00	0.00
0.00	0.00
<u>115,193.65</u>	<u>115,193.65</u>

4,145.16

114,909.12

(5.66)

(25,133.65)

21,278.68

115,193.65



Susan Clay  
Joint Liquidator

ANNUAL PROGRESS REPORT OF CHEF'S FLAVOURS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION FOR THE PERIOD 20 DECEMBER 2022 TO 19 DECEMBER 2023

**Content**

- Executive Summary
- Administration and Planning
- Enquiries and Investigations
- Realisation of Assets
- Creditors
- Ethics
- Fees and Expenses
- Creditors' Rights
- Conclusion

**Appendices**

- Appendix I - Statutory Information
- Appendix II – Receipts and Payments account for the period
- Appendix III - Estimated Outcome Statement
- Appendix IV - Detailed list of work undertaken in the period
- Appendix V - Time cost information for period
- Appendix VI - Expenses summary for period & comparison with estimate
- Appendix VII – Statement of Creditors' Rights

**JOINT LIQUIDATORS' FIRST PROGRESS REPORT**

**CHEF'S FLAVOURS LTD - IN CREDITORS' VOLUNTARY LIQUIDATION**

## ANNUAL PROGRESS REPORT OF CHEF'S FLAVOURS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION FOR THE PERIOD 20 DECEMBER 2022 TO 19 DECEMBER 2023

### Closure

It is anticipated that the liquidation will be closed within six months

### ADMINISTRATION AND PLANNING

#### Statutory information

Statutory information may be found at Appendix I.

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

#### Administration tasks

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

- Case reviews
- Bond reviews
- Updating of case tasks
- Preparation of VAT returns
- Dealing with statutory filings

### ENQUIRIES AND INVESTIGATIONS

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

The directors provided the books and records and completed questionnaires as well as a Statement of Affairs. The Joint Liquidators also had access to the company's cloud-based accounting software for the purpose of downloading various management reports and reconciling those reports with the company's bank statements.

The information gleaned from this process enabled the Joint Liquidators to meet their statutory duty to submit a confidential report on the conduct of the directors (past and present) to the Insolvency Service.

This work was also carried out with the objective of making an initial assessment of whether there were any matters that may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

This initial assessment has been completed and the Joint Liquidators did not identify any further assets or actions which might lead to a recovery for creditors. Although this work has not to date generated any financial benefit to creditors, it was necessary to meet the statutory duties as well as conduct appropriate enquiries and investigations into potential rights of actions to enhance realisations.

### REALISATION OF ASSETS

Detailed below is key information about asset realisation and strategy. The Joint Liquidators formulated and worked through a realisation strategy that sought to maximise realisations net of costs. The financial benefit of those efforts is described further below.



ANNUAL PROGRESS REPORT OF CHEF'S FLAVOURS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION FOR THE PERIOD 20 DECEMBER 2022 TO 19 DECEMBER 2023

**EXECUTIVE SUMMARY**

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

**Assets**

Asset	Estimated to realise per Statement of Affairs	Realisations to date	Anticipated future realisations	Total anticipated realisations
Leasehold Premises	Nil	Nil	Nil	Nil
Intellectual Property	Uncertain	76,500	Nil	76,500
Stock for resale	2,500	3,195	Nil	3,195
Office Furniture	2,000	815	Nil	815
Plant & Equipment	18,000	45,718	Nil	45,718
Insurance Refund	N/A	327	Nil	327
Corporation Tax Refund	N/A	10,348	Nil	10,348
Rates Refund	N/A	486	Nil	486
Bank interest	N/A	1,241	137	1,378

**Expenses**

Expenses	Amount per fees and expenses estimates	Expense incurred to date	Anticipated further expense to closure	Total anticipated expense
Jones Giles & Clay – pre appointment costs	3,500	3,500	Nil	3,500
Other pre liquidation expenses	192	192	Nil	192
Agents and Valuers	N/K	16,824	Nil	16,824
Legal & Professional	Nil	2,000	Nil	2,000
Bonding	130	690	Nil	690
DocuSoft – Case Management	55	55	Nil	55
Advertising	228	152	99	251
Postage	50	25	50	75
Meeting Room	24	Nil	Nil	Nil

**Dividend prospects**

Creditor class	Distribution / dividend paid to date £	Anticipated distribution / dividend, based upon the above p in £
Preferential creditors	Nil	100p
Secondary Preferential creditors	Nil	100p
Unsecured creditors	Nil	21p/43p in the £

The dividend payable depends on the final claim of the Landlord of the company's former trading premises.

**Summary of key issues outstanding**

- Agreement of claims; preferential, secondary preferential and also unsecured creditors
- Payment of dividends

## ANNUAL PROGRESS REPORT OF CHEF'S FLAVOURS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION FOR THE PERIOD 20 DECEMBER 2022 TO 19 DECEMBER 2023

- Whilst there had been no marketing campaign those parties most likely to express an interest had been spoken to and invited to submit an offer,
- The company had ceased trading back in December 2023 and it owned no recipes to offer for sale,
- The customers of the database were not exclusive, nor were there any contracts in place,
- It was likely that a high proportion of the customers held on the databases were also customers of other vaping suppliers and therefore any such benefit for a purchaser is potential only

The Joint Liquidators were advised to conduct the sale via an Asset Purchase Agreement utilising the services of a Solicitor. This was to ensure, in the main, that customer data was processed without breaching any of the GDPR provisions. To that end Darwin Gray Solicitors were engaged to prepare and issue a Contract to the successful bidder and this was issued on 17 January 2023.

Extensive discussions took place between 17 January 2023 to 23 January 2023 surrounding issues arising in relation to the transfer and security of the online platforms. The Joint Liquidators worked tirelessly with the director, Mr Lewis Barnett, to overcome this issues and the sale was eventually concluded on 23 January 2023.

Final realisations in this regard were £76,500.

### **Stock, Office furniture, plant and equipment**

As reported by the directors in their Directors' Report issued to creditors on 12 December 2022 Gavel Auctioneers had been engaged by them to uplift and/or preserve the company assets for the benefit of creditors. Gavel Auctioneers recommended to the directors that an online auction be arranged with the assets remaining in situ at the trading premises in Aberaman. The auction was arranged with the directors and took place on 13 December 2022. The early conclusion of the auction, which also provided for clearance from the premises on 16 December 2022, facilitated the company vacating the premises before the next quarter rent date. This in itself would ensure that the assets were not exposed to CRAR proceedings by the Landlord which would have prevented an equitable distribution of the assets to the company's creditors.

Most of the assets sold at auction but the purchaser of the bottling plant failed to complete the transaction. This item was therefore offered for sale at auction by the Joint Liquidators on 9 February 2023 and sold at that time. Some residual items of computer equipment also sold at later auctions.

Final realisations amounted to £3,195 (stock), £815 (office equipment) and £45,718 for the plant and equipment.

### **Corporation Tax Refund**

It was apparent from information provided by the directors that the company had traded successfully for many years prior to cessation recording profits in the accounting periods ended 30 November 2019, 2020 and 2021. The Joint Liquidators were at that time estimating trading losses in the final period of trading (1 December 2021 to 30 November 2022) in the sum of £119,586.

A review of the company's books and records to include management figures obtained from Xero supported heaving losses in the final period of trading. The Joint Liquidators were of the opinion therefore that there may be an opportunity to carry back recent losses against earlier periods and reclaim some of the corporation tax paid.

The Joint Liquidators approached the company's former Accountants and asked whether a refund of corporation tax was possible. The accountants confirmed that there would be an opportunity to claim one year's tax which they estimated could be in the region of £3,500 after set off had been applied in respect of the unpaid corporation tax still showing as unpaid by the company. This is recorded at circa £8,000 in the Directors' Statement of Affairs.

The Joint Liquidators considered this matter and determined that there would be a net benefit in engaging the accountants to prepare cessation accounts for the company and submit the final pre liquidation Corporation Tax Returns to reclaim the refund. The Accountants were engaged at a cost of £1,164 (£500 for each accounting

## ANNUAL PROGRESS REPORT OF CHEF'S FLAVOURS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION FOR THE PERIOD 20 DECEMBER 2022 TO 19 DECEMBER 2023

### Transactions with connected parties

In the period under review there has not been any sale of assets to a connected party.

### Leasehold Property

The company traded from leasehold premises at Units 27 and 28 Aberaman Industrial Estate, Aberaman, Aberdare occupying under a 5 year lease dated 14 January 2019. The lease determined that rent payable would be £18,000 for the first year and £37,800 for the remainder of its term. A deposit of £6,000 was paid by the company.

The company vacated the premises prior to the date of liquidation and the Lease was disclaimed by the Joint Liquidators on 6 January 2023. The premises remain vacant at the date of this report and the Landlord's claim in the liquidation is dealt with later in this report.

### Intellectual Property

The company's business comprised online selling of flavour concentrates for the vaping market both to consumers and B2B. The company did not own any recipes as these were developed by a connected company Chef's Vapour Limited.

Whilst no intangible assets were recorded in the company's account it became very clear immediately prior to liquidation that there was interest in the company's website and its various sales & marketing platforms. The assets identified as having potential value were:

- Three domains; Chefsflavours.co.uk, chefsflavours.uk and chefsflavours.com,
- Admin control for the company's facebook and Instagram accounts,
- Admin/control for the company's website to include access to the Shopify/customer details, and
- Trademarks for the Chef's Flavours logo.

Following discussions with some interested parties, and the directors, it became apparent that a quick sale was necessary to protect the brand and not lose customers which would only devalue the assets of interest. A decision was therefore taken by the Joint Liquidators to invite offers for the purchase of the assets. Offers were requested by close of business of 13 January 2023 with a view to accepting the highest offer by close of business on 16 January 2023. Several parties expressed an interest and made contact with the Joint Liquidators but only 5 Non-Disclosure Agreements ("NDA") were eventually entered into.

Information presented under cover of an NDA included:

- Last 3 year's Accounts,
- Sales summaries for 2021 and 2022
- Customer details are listed on Shopify to include the wholesale customers
- Total turnover in the last period of trading (not publicly reported) analysed by country, B2B and B2C.
- Details of the registered number of emails on Shopify
- Details of the registered number of subscribers on Klaviyo, and
- Confirmation that the company had no white label products.

Discussions were held with the interest parties over a period of days with the directors providing all required assistance/support during that period. This resulted in 4 offers being received.

On 16 January 2023 the 4 offers were reviewed and agents were consulted to advise whether any of the offers should be accepted or whether a wider marketing campaign was likely to generate more interest/higher offers.

Gavel Auctioneers were provided with all necessary information and on 16 January 2023 recommended acceptance of the highest offer in the sum of £76,500. This advice acknowledged the following:

## ANNUAL PROGRESS REPORT OF CHEF'S FLAVOURS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION FOR THE PERIOD 20 DECEMBER 2022 TO 19 DECEMBER 2023

### Secondary Preferential creditors

In any insolvency process started from 1 December 2020, HM Revenue & Customs ("HMRC") is a secondary preferential creditor for the following liabilities:

VAT  
PAYE Income Tax  
Employees' NIC  
CIS deductions  
student loan deductions

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

HMRC was estimated to have a secondary preferential claim of £3,554 comprising PAYE and VAT outstanding. The Joint Liquidators anticipate being able to pay secondary preferential creditors in full.

### Unsecured creditors

The unsecured creditors as per the statement of affairs totalled £153,701.

There are proofs of debt outstanding from a small number of creditors but the current claims position can be summarised as follows:

	Nature of debt	£
HM Revenue & Customs	Corporation Tax and PAYE (ers NIC)	764
Redundancy Payments Service	Redundancy payments and Payment in lieu of Notice	26,331
Barclays Bank plc	Overdraft/Loan	44,685
Connected Company	Loan	45,716
Other trade creditors	Suppliers	4,817
Employees	Residual claims for notice pay and redundancy	4,225
Leasing Company	Breach of Contract	2,466
Landlord	Rent - disputed	250,713

Claims scheduled in the statement of affairs where no claims have been received total £7,848.

A Notice Of Intended Dividend is in the process of being issued to those creditors who have not claimed and an advertisement will be placed in the London Gazette inviting claims before the deadline of 6 March 2024.

Claims will be adjudicated after 6 March 2024 with a view to declaring and paying a dividend as soon as possible after that date.

The Joint Liquidators are currently engaged in communication with the Landlord/its representative in relation to its claim. The claim is in respect of rent due and also dilapidations. The dilapidation element does not appear to be based on any actual assessment but an estimate based on similar properties held by the Landlord. The amount of this claim appears excessive and no evidence has been provided in support. The Joint Liquidators will seek to agree a sensible figure with the Landlord to reflect its losses under the Lease and it is hoped that this can be agreed without the need to deal with any rejection and subsequent appeal via the Courts.

### Dividend prospects

The situation with the claim from the Landlord makes it difficult to comment with accuracy on the level of dividend likely to be payable in this matter. The estimated outcome statement that forms part of this report

## ANNUAL PROGRESS REPORT OF CHEF'S FLAVOURS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION FOR THE PERIOD 20 DECEMBER 2022 TO 19 DECEMBER 2023

period and £164 accounting software subscriptions) and the necessary accounts/returns submitted to HM Revenue & Customs.

An amount of £10,348 was recovered for the benefit of creditors.

### Miscellaneous refunds

Following a review of the company's books and records and letters issued to various of the company's suppliers it became apparent that there were refunds due in respect of Business Rates and Insurance. The Joint Liquidators engaged with those parties and successfully recovered amounts in the sum of £486 and £327 respectively. These amounts were not anticipated in the Directors' Statement of Affairs.

### Payments

All payments are included in Appendix II. The items that may not be self-explanatory are summarised below:

Payee	Category	Amount £	Service
Gavels - Auctioneers	Agents / Valuers fees	14,960	Sale of company's tangible assets
Full Stop Accountants	Legal and Professional	1,164	Preparation of Accounts and Tax Returns
Lewis Barnett - director	Legal and Professional	700	Hours spent with Joint Liquidators securing access to online platforms and transferring accounts to purchase of intangibles and discussions with interested parties

## CREDITORS

### Secured creditors

The Company had no secured creditors.

### Preferential creditors

#### Employee claims

Prior to the appointment of the Joint Liquidators the company had made all 9 of its staff redundant including the two directors. The Joint Liquidators had already obtained all required information for those employees and that information was therefore submitted to the Redundancy Payments Service ("RPS") and information and help was given to those 9 employees to enable them to submit their claims online.

Of those 9 claims only 7 have been paid by the RPS. The directors claims were not progressed although their claims against the company remain.

Employees were shown to be owed outstanding holiday pay of £383. In addition, unpaid pension contributions of £599 were expected to rank for payment preferentially.

A claim has been received from the Redundancy Payments Office confirming that claims totalling £343 have been paid in respect of holiday pay and this represents its preferential claim in the liquidation. In addition employees have residual claims in respect of holiday pay totalling £306.

Total preferential claims are therefore agreed at £649

## ANNUAL PROGRESS REPORT OF CHEF'S FLAVOURS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION FOR THE PERIOD 20 DECEMBER 2022 TO 19 DECEMBER 2023

Having regard to the total costs incurred/anticipated the Joint Liquidators are convening a decision process for the purpose of seeking agreement to an additional fixed fee £20,439. A fixed fee of £7,500 has already been sanctioned by creditors.

### Expenses

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

The expenses, which include disbursements, that have been incurred and not yet paid during the period are detailed on Appendix VI. Also included in Appendix VI is a comparison of the expenses likely to be incurred in the Liquidation with the original expenses estimate, together with reasons where any expenses are likely to exceed that estimate.

The category 1 expenses paid for in the period are shown at Appendix II and represent payments to parties not associated with the firm, who have provided services or goods for the administration of the assignment.

There were no category two expenses paid in the period.

Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors' Guide to Fees' may be found at <https://www.begbies-traynorgroup.com/files/download-docs/creditor-guides/liquidation2021.pdf?1678280238>. A hard copy of both the Creditors' Guide and the firm's charge-out rate and disbursement policy may be obtained on request to [Claire.Jackson@btguk.com](mailto:Claire.Jackson@btguk.com).

### Other professional costs

During the administration of the case some of the work that was required to be undertaken was sub-contracted. The work consisted of the preparation of the company's final Accounts and Corporation Tax Returns to enable a refund to be claimed. This work was contracted to the company's former Accountants, an unconnected party. The Accountants are Full Stop Accountants of 67 Lakeside Drive, Cardiff, CF23 6DE.

The fee for completing this work was £1,164 which included a subscription of £164 for the accounts in Xero, which has been paid in full.

### Solicitors

Darwin Gray Solicitors were engaged to act in the matter of the sale of the intellectual property. The initial fee quote was £750 but matters became quite protracted, and the time spend in dealing with the same exceeded budget due to unforeseen matters. A revised fee of £2,000 was agreed and paid in respect of the services provided.

### Agents and valuers

Gavels Auctioneers were instructed as agents and valuers in relation to the company's tangible assets. Their costs were agreed on the basis of their standard sales commission rate plus any additional costs associated with uplifting the assets. The agents fees of £14,960 have been paid in full.

### CREDITORS' RIGHTS

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

## ANNUAL PROGRESS REPORT OF CHEF'S FLAVOURS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION FOR THE PERIOD 20 DECEMBER 2022 TO 19 DECEMBER 2023

shows that if the Landlord's claim is admitted for its full value, and claims are received from those remaining creditors who have not yet claimed, then the dividend will be in the region of 21p. If the Landlord's claim can be agreed at a more realistic level then the dividend will increase. For illustration purposes if the Landlord's claim was agreed at circa £100,000 then the dividend would increase to an estimated 34p in the £.

Creditors should note that there is no prescribed part in this matter as no security has been granted by the company.

### ETHICS

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

#### General ethical considerations

Prior to the Joint Liquidator's appointment, a review of ethical issues was undertaken and no ethical threats were identified.

#### Specialist Advice and Services

When instructing third parties to provide specialist advice and services or having the specialist services provided by the firm, the Joint Liquidator is obliged to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work undertaken. The firm regularly reviews the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed below under "Other Professional Costs".

### FEES AND EXPENSES

#### Pre-Appointment Costs

**Fixed fee agreed with the Directors and ratified by members and creditors.**

The creditors authorised the fee of £3,500 for assisting the directors in calling the relevant meeting and with preparing the Statement of Affairs on 20 December 2022. This fee has been paid from first realisations on appointment and is shown in the enclosed receipts and payments account. Pre liquidation expenses were also approved and these are also shown as £192 on the attached receipts and payments account.

#### The Joint Liquidators' fees

The basis of the Joint Liquidators' fees was approved by creditors on 20 December 2022 in accordance with the following resolution:

"THAT the Joint Liquidators' fees be fixed at £7,500 plus VAT"

At the time of seeking approval of the fixed fee it was not anticipated that a significant amount of time would need to be spent in dealing with the sale of the intangible assets, recovering the corporation tax refund, liaising with agents regarding the unsold assets and also chasing down the miscellaneous refunds. The time cost incurred in the period amounted to £24,069 comprising 127.50 hours at an average hourly rate of £189. Budgeted future costs to deal with this report, the adjudication of claims, the declaring and paying of all dividends and preparing the Joint Liquidators Final Report are £3,870. This will result in total time costs of £27,939.

Whilst this is significantly higher than the original fee I would ask creditors to note that the additional time spent has resulted in significantly enhanced realisations and a dividend now being payable to creditors.

**ANNUAL PROGRESS REPORT OF CHEF'S FLAVOURS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION FOR THE PERIOD 20 DECEMBER 2022 TO 19 DECEMBER 2023**

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

**CONCLUSION**

The administration of the case will be continuing to finalise the following outstanding matters:

- The outcome of the Decision Process to deal with the increased Joint Liquidators' fees,
- Agreement of creditor claims, and
- Distribution to creditors

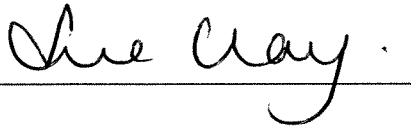
If you require any further information, please contact this office.

Signed \_\_\_\_\_

**Susan Clay**

**Joint Liquidator**

**7 February 2024**





**Statutory Information**

Company Name                      **Chef's Flavours Limited**

Former Trading Name            **None**

Company Number                **09879106**

Registered Office                **1<sup>st</sup> Floor North, Anchor Court, Keen Road, Cardiff, CF24 5JW**

Former Registered Office       **The Maltings, East Tyndall Street, Cardiff, CF24 5EZ**

Officeholders                    **Susan Clay and Katrina Jane Orum**

*On 8 December 2023 Katrina Jane Orum replaced Wilfred Vaughan Jones as joint liquidator of the Company by Order of the Court. The Order was advertised in the London Gazette on 22nd of December 2023. Under the terms of the Order, Wilfred Vaughan Jones was granted his release, or discharge from liability as appropriate, 21 days after the publication of the Order in the London Gazette. The Order granted liberty to each creditor to apply to vary or discharge the Order within 21 days of the date of publication in the London Gazette or this notice, whichever the sooner*

Officeholders address           **1st Floor North, Anchor Court, Keen Road, Cardiff, CF24 5JW**

Date of appointment            **20 December 2022**

**Appendix II**

**RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD**

**Chef's Flavours Limited**

**In Liquidation**

**Joint Liquidators' Summary of Receipts and Payments (Accruals Basis)**

Statement of Affairs £	From 20 December 2022 To 19 December 2023 £	From 20 December 2022 To 19 December 2023 £
<b>ASSET REALISATIONS</b>		
NIL Leasehold Improvements	0.00	0.00
Uncertain Intellectual Property (to include domain, social m	76,500.00	76,500.00
2,500.00 Stock for Sale	3,195.27	3,195.27
2,000.00 Office Furniture and Equipment	815.00	815.00
18,000.00 Plant and Equipment	45,718.00	45,718.00
Uncertain Property Rights/Patents	0.00	0.00
Insurance Refund	327.47	327.47
Corporation Tax Refund	10,348.46	10,348.46
Rates Refund	486.39	486.39
Bank Interest Gross	1,241.00	1,241.00
	138,631.59	138,631.59
<b>COSTS OF REALISATION</b>		
Bordereau Premium	690.00	690.00
Preparation of S. of A.	3,500.00	3,500.00
Agents/Valuers Fees	16,823.98	16,823.98
Legal Fees	2,000.00	2,000.00
IT Costs	55.00	55.00
Stationery, Postage, Office costs	64.96	64.96
Statutory Advertising	228.00	228.00
Meeting room hire	26.00	26.00
Sundry Expenses	50.00	50.00
	(23,437.94)	(23,437.94)
<b>PREFERENTIAL CREDITORS</b>		
(383.36) Employee Arrears/Hol Pay	0.00	0.00
	0.00	0.00
<b>SECONDARY PREFERENTIAL CREDITORS</b>		
(3,553.91) HM Revenue & Customs	0.00	0.00
(1,151.55) HMRC	0.00	0.00
	0.00	0.00
<b>UNSECURED CREDITORS</b>		
(21,040.03) Trade & Expense Creditors	0.00	0.00
(34,429.75) Employees / Directors	0.00	0.00
(41,015.00) Banks/Institutions	0.00	0.00
(11,500.00) Landlord	0.00	0.00
(45,716.26) Associated Company Loan	0.00	0.00
	0.00	0.00

Statement  
of Affairs  
£

From 20 December 2022 To 19 December 2023 £	From 20 December 2022 To 19 December 2023 £
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DISTRIBUTIONS

(2.00) Ordinary Shareholders

(136,291.86)

0.00	0.00
0.00	0.00
115,193.65	115,193.65

REPRESENTED BY

Vat Receivable

4,145.16

Bank 1 Current

114,909.12

Office Holders Accruals

(5.66)

Vat Payable

(25,133.65)

Vat Control Account

21,278.68

115,193.65

**ESTIMATED OUTCOME STATEMENT**

**CHEFS FLAVOURS LIMITED IN LIQUIDATION**  
**ESTIMATED OUTCOME STATEMENT**

	Estimated Statement of Affairs £	Estimated Outcome £
<b>ASSETS</b>		
Leasehold Premises	Nil	-
Intellectual Property (domain etc)	Uncertain	76,500
Stock for resale	2,500	3,195
Office furniture	2,000	815
Plant & Equipment	18,000	45,718
Insurance Refund		327
Corporation Tax refund		10,348
Rates refund		486
Bank interest (gross)		1,241
<b>ESTIMATED TOTAL ASSETS AVAILABLE</b>	<u>22,500</u>	<u>138,630</u>
<b>LESS COSTS - incurred</b>		
Insolvency Practitioners Bond	690	
Preparation of SofA and Directors' Report	3,500	
Pre liquidation expenses	192	
Agents/valuers fees	16,824	
Solicitor's fees	2,000	
Case Management/Document system	55	
Stationery and Postage	75	
Statutory Advertising	251	
		(23,587)
		<u>115,043</u>
<b>LESS COSTS - provisions</b>		
Joint Liquidators fees - approved	7,500	
Joint Liquidators fees - sought	20,439	
Advertising costs - Notice of Intended Dividend	99	
Books and records storage costs	50	
		(28,088)
<b>SURPLUS AVAILABLE FOR CREDITORS</b>		<u>86,955</u>
<b>Preferential Creditors</b>		
The National Insurance Fund	306	
Employee - residual claims	343	
		(649)
Amount available for secondary preferential creditors		<u>86,306</u>
<b>Secondary Preferential Creditor - HM Revenue &amp; Customs</b>		(4,967)
Amount available for unsecured creditors		<u>81,339</u>
<b>Unsecured Creditors</b>		
Claims received and admitted	129,311	
Claims received and under enquiry - Landlord	250,713	
Claims outstanding	7,848	
		(387,872)
<b>Estimated Deficiency</b>		<u>(306,533)</u>

Appendix IV

DETAILED LIST OF WORK UNDERTAKEN FOR CHEF'S FLAVOURS LIMITED IN CREDITORS' VOLUNTARY LIQUIDATION FOR THE PERIOD REPORTED

General Description	Includes
<b>Administration and Planning</b>	
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements
Document maintenance/file review/diary lines	Filing of documents Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Bond reviews
Bank account administration	Opening bank accounts online Downloading bank statements Bank account reconciliations Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Books and records / storage	Dealing with records in storage Sending job files to storage
<b>Investigations</b>	
SIP 2 Review	Reviewing, and making an inventory, of company books and records (to include downloading/exporting data from online storage facility) Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by directors Reviewing information submitted by creditors Reconstruction of financial affairs of the company Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions
Statutory reporting on conduct of directors	Preparing internal investigation reports Liaising with Insolvency Service where required Submission of report with the Insolvency Service (DCAS online)
<b>Realisation of Assets</b>	
Intangible assets	Holding discussions and responding to queries raised by potential purchasers Liaising with directors over the various intangibles held Seeking out offers for the intangible assets Issuing Non Disclosure Agreements to interested parties Dealing with follow up enquiries raised by interested parties Reviewing offers received Liaising with agents regarding the offers Instructing Solicitors to issue APA to purchaser Reviewing the same with Solicitors Dealing with enquiries as raised Seeking to secure access to the various platforms of interest to purchasers Liaising and meetings with director to secured the same Dealing with contract queries Completing the sale of the assets

ANNUAL PROGRESS REPORT OF CHEF'S FLAVOURS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION FOR THE PERIOD 20 DECEMBER 2022 TO 19 DECEMBER 2023

General Description	Includes
Plant and Equipment	Liaising with valuers and auctioneers over asset disposals Liaising with third party stakeholders regarding items held by company
Leasehold Property	Liaising with landlords Reviewing lease terms and deposits paid etc. Disclaiming property and dealing with all statutory filings
Leasing	Reviewing leasing documents Liaising with owners/lessors Reviewing residual claims
Other assets:	Reviewing asset schedules to identify any assets Reviewing premiums paid to determine if any refunds are due to the company on cessation Submitting final meter readings to establish if any refunds are due Reviewing the tax position of the company to determine if any potential for refund of tax on cessation; checking management accounts. Filed accounts and the position of HMRC generally. Discussing potential for CT refunds with the Accountant Providing assistance where required for preparation of tax returns Reviewing calculations when received from HMRC Liaising with local authority following disclaimer of lease on trading premise to determine if any refund due
<b>Creditors</b>	
Creditor Communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Assisting employees to pursue claims via the RPO Corresponding with the PPF and the Pensions Regulator
Dealing with proofs of debt	Receipting and filing PODs Corresponding with RPO regarding POD Reviewing POD on receipt Calculating residual employee claims and seeking agreement to the same
Processing proofs of debt	Preparation of correspondence to potential creditors inviting submission of POD Receipt of POD Adjudicating POD Request further information from claimants regarding POD in a particular the Landlord
Creditors Committee	<b>No fees estimate has been provided since this will not incur any costs unless a Committee is elected</b>



TIME COST INFORMATION FOR PERIOD

Staff Grade	Consultant/Partner	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	2.90			2.90	348.00	120.00
	Administration	5.20			7.50	1,383.00	184.40
	Banking and Bonding	1.90			2.40	393.00	163.75
	Case Closure						
	Statutory reporting and statement of affairs						
	<b>Total</b>	<b>7.10</b>			<b>9.90</b>	<b>2,124.00</b>	<b>214.55</b>
Investigations							
	CDDA and investigations	40.50			44.00	6,015.00	136.70
	<b>Total for Investigations:</b>	<b>40.50</b>			<b>44.00</b>	<b>1,275.00</b>	<b>28.98</b>
Realisation of assets							
	Debt collection	0.50			0.50	60.00	120.00
	Property, business and asset sales	7.60			37.50	10,779.00	295.39
	<b>Total for Realisation of assets:</b>	<b>8.10</b>			<b>38.00</b>	<b>10,635.00</b>	<b>279.87</b>
Dealing with all creditors claims (including employees), correspondence and distributions	Secured						
	Others	31.20			34.30	4,767.00	138.98
	<b>Total for Dealing with all creditors claims (including employees), correspondence and distributions:</b>	<b>31.20</b>			<b>34.30</b>	<b>4,767.00</b>	<b>138.98</b>
	Seeking decisions of creditors	0.50			0.50	165.00	330.00
	Tax	0.50			0.80	159.00	198.75
Other matters which includes meetings, tax, litigation, pensions and travel	Litigation						0.00
	<b>Total for Other matters:</b>	<b>0.50</b>			<b>1.30</b>	<b>324.00</b>	<b>249.23</b>
	<b>Total hours by staff grade:</b>	<b>87.40</b>			<b>127.50</b>	<b>19,125.00</b>	
	<b>Total time cost by staff grade £:</b>	<b>10,836.00</b>				<b>24,069.00</b>	
	<b>Average hourly rate £:</b>	<b>120.00</b>					<b>188.78</b>

APPENDIX VI

**EXPENSES SUMMARY FOR PERIOD, CUMULATIVE & COMPARISON WITH ESTIMATE**

Below are details of the Joint Liquidators' expenses for the period under review and the total to date.

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
<b>Category 1 Expenses</b>				
Jones Giles & Clay – SofA and directors report	3,500	3,500	3,500	
Pre liquidation Expenses	192	192	192	
Agents and Valuers	N/K	16,824	16,824	This was always subject to final realisations as part % based for agents. Other costs include payment to Accountants for preparing final accounts (which resulted in enhanced realisations) and a payment to the director for time spent, over and above normal duties, to facilitate a sale of the assets which again resulted in enhanced realisations
Legal and Professional	Nil	2,000	2,000	A sale of intangibles requiring legal assistance was not anticipated. This cost only arises due to enhanced realisations
Bonding	130	690	690	The premium increased due to increased asset realisations not anticipated at the outset
DocuSoft Case Management	55	55	55	
Advertising	228	152	152	The final advertising will be higher at £251 but this is due to price increases effected by third party
Postage	50	25	25	
Meeting Room	24	Nil	Nil	

## Statement of Creditors Rights

### Insolvency Rules (England and Wales) 2016

#### Creditors' and members' requests for further information in administration, winding up and bankruptcy

**18.9.**—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
- (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
- (d) any unsecured creditor with the permission of the court; or
- (e) any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—

- (a) providing all of the information requested;
- (b) providing some of the information requested; or
- (c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

- (a) the time or cost of preparation of the information would be excessive; or
- (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
- (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
- (d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

- (a) the office-holder giving reasons for not providing all of the information requested; or
- (b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

#### Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive

**18.34.**—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
- (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and

18.21 (as applicable) is inappropriate; or

(c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or

18.37 as applicable—

ANNUAL PROGRESS REPORT OF CHEF'S FLAVOURS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION FOR THE PERIOD 20 DECEMBER 2022 TO 19 DECEMBER 2023

(a) a secured creditor,

(b) an unsecured creditor with either—

(i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or

(ii) the permission of the court, or

(c) in a members' voluntary winding up—

(i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or

(ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

**Applications under rules 18.34 and 18.35 where the court has given permission for the application**

**18.36.**—(1) This rule applies to applications made with permission under rules 18.34 and 18.35.

(2) Where the court has given permission, it must fix a venue for the application to be heard.

(3) The applicant must, at least 14 days before the hearing, deliver to the office-holder a notice stating the venue and accompanied by a copy of the application and of any evidence on which the applicant intends to rely.

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

(a) an order reducing the amount of remuneration which the office-holder is entitled to charge;

(b) an order reducing any fixed rate or amount;

(c) an order changing the basis of remuneration;

(d) an order that some or all of the remuneration or expenses in question is not to be treated as expenses of the administration, winding up or bankruptcy;

(e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —

(i) the administrator or liquidator or the administrator's or liquidator's personal representative to the company, or

(ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;

(f) any other order that it thinks just.

(5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.

(6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration, winding up or bankruptcy.

**Applications under rule 18.34 where the court's permission is not required for the application**

**18.37.**—(1) On receipt of an application under rule 18.34 for which the court's permission is not required, the court may, if it is satisfied that no sufficient cause is shown for the application, dismiss it without giving notice to any party other than the applicant.

(2) Unless the application is dismissed, the court must fix a venue for it to be heard.

(3) The applicant must, at least 14 days before any hearing, deliver to the office-holder a notice stating the venue with a copy of the application and of any evidence on which the applicant intends to rely.

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

(a) an order reducing the amount of remuneration which the office-holder is entitled to charge;

(b) an order reducing any fixed rate or amount;

ANNUAL PROGRESS REPORT OF CHEF'S FLAVOURS LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION FOR THE PERIOD 20 DECEMBER 2022 TO 19 DECEMBER 2023

(c)an order changing the basis of remuneration;

(d)an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration or winding up or bankruptcy;

(e)an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —

(i)the administrator or liquidator or the administrator's or liquidator's personal representative to the company, or

(ii)the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;

(f)any other order that it thinks just.

(5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.

(6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration or as winding up or bankruptcy.