

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192 of the Insolvency Act 1986

To the Registrar of Companies

Company Number

05088162

Name of Company

The Green Drinks Company Limited

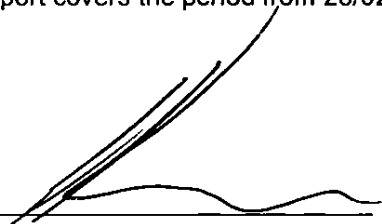
I / We

Simon Ashley Rowe, One Redcliff Street, Bristol, BS1 6NP

the liquidator(s) of the company attach a copy of my/our Progress Report under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 26/02/2013 to 25/02/2014

Signed



Date

4/4/14

Milsted Langdon LLP
One Redcliff Street
Bristol
BS1 6NP

Ref GREAPOST/SR/RH/TRO

SATURDAY



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COMPANIES HOUSE

The Green Drinks Company Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs	From 26/02/2013 To 25/02/2014	From 24/05/2012 To 25/02/2014
ASSET REALISATIONS		
	170 30	170 30
134,110 00	132,841 44	132,841 44
35,000 00	35,000 00	35,000 00
	56 06	56 06
	<u>168,067 80</u>	<u>168,067 80</u>
COST OF REALISATIONS		
	11,195 48	11,195 48
	543 25	543 25
	35 86	35 86
	11,627 00	11,627 00
	351 00	351 00
	4,017 00	4,017 00
	50 12	50 12
	169 20	169 20
	NIL	NIL
	<u>(27,988 91)</u>	<u>(27,988 91)</u>
UNSECURED CREDITORS		
(606,889 13)	30,552 64	30,552 64
(93,000 00)	6,284 67	6,284 67
(24,679 32)	NIL	NIL
(2,026,892 44)	101,344 62	101,344 62
	<u>(138,181 93)</u>	<u>(138,181 93)</u>
DISTRIBUTIONS		
(2,805 00)	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
(2,585,155 89)	<u>1,896 96</u>	<u>1,896 96</u>
REPRESENTED BY		
		747 69
		1,149 27
		<u>1,896.96</u>
		<u>1,896.96</u>

Simon Ashley Rowe
Liquidator

**Liquidator's Annual
Progress Report to
Members and Creditors**

**THE GREEN DRINKS COMPANY
LIMITED - IN LIQUIDATION
26 FEBRUARY 2014**

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- 2 Realisation of Assets
- 3 Investigations
- 4 Creditors
- 5 Dividend
- 6 Liquidator's Remuneration
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- 8 Creditors' Rights
- 9 Next Report

APPENDICES

- A Receipts and Payments Account from 26 February 2013 to 25 February 2014
- B Time Analysis for the period 26 February 2013 to 25 February 2014
- C Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9

1.0 INTRODUCTION AND STATUTORY INFORMATION

- 1 1 I, Simon Ashley Rowe of Milsted Langdon LLP, One Redcliff Street, Bristol, BS1 6NP, was appointed as Liquidator of The Green Drinks Company Limited (“the Company”) on 26 February 2013. As creditors may recall, this appointment followed the conclusion of the Administration of the Company to allow a distribution to unsecured creditors. This report provides an update on the progress in the liquidation for the year ended 25 February 2014 and should be read in conjunction with my final progress report in the Administration of 26 February 2013.
- 1 2 The principal trading address of the Company was Suite 2/3 Basepoint Business Centre, Oakfield Close, Tewkesbury, Gloucestershire, GL20 8SD.
- 1 3 The registered office of the Company has been changed to 1 Redcliff Street, Bristol, BS1 6NP and its registered number is 05088162.

2.0 REALISATION OF ASSETS

- 2 1 Attached at Appendix A is my Receipts and Payments Account for the period from 26 February 2013 to 25 February 2014.

Sale Of The Business

- 2 2 Creditors may recall that the assets of the business to include the goodwill and intellectual property rights were sold in an online auction with a completion date of 5 November 2012.
- 2 3 The terms of the sale included a buyer’s premium payable by the successful bidder Pouchlink Limited (“PL”) on completion of the auction sale. This premium was set as 10% of the hammer price plus VAT to be paid in full on completion. Consequently, an invoice for £42,000 was raised and sent to PL by my agent.
- 2 4 As I informed creditors in my previous report PL disputed that this sum was payable and after a period of negotiation my solicitors issued a statutory demand seeking full payment of the sums due.
- 2 5 An application was then made to the High Court by PL to set aside the statutory demand.
- 2 6 On 5 March 2013, the High Court considered the application to set aside the statutory demand. The High Court dismissed the application and awarded an order of costs in favour of the respondent (my agent) of £2,820.
- 2 7 Following this hearing my solicitors wrote to PL and requested full payment of the £42,000 by the 21 March 2013 or they would enforce the statutory demand issued and would seek to petition for the winding up of PL.
- 2 8 The £42,000 was subsequently paid on 21 March 2013.

Order for Costs

- 2 9 My solicitor then sought repayment of the £2,820 award of costs that was made by the High Court against PL
- 2 10 This amount was further disputed and my solicitor pursued a settlement of the amounts due
- 2 11 In an attempt to conclude matters and avoid further costs and delays in May 2013 a Part 36 offer was made to the purchaser This is an offer to settle the matter in full at a reduced rate In this instance a settlement of 70% of the amounts due being £1,974 was offered
- 2 12 After a period of negotiation and unanswered correspondence, the purchaser in November 2013, made an offer of £986 40 to settle the outstanding order for costs A number of points of dispute were also presented as to why such a reduction should be granted
- 2 13 My solicitor advised me that this offer should be declined as it was too low However, they did advise that a further settlement offer of £1,800 should be made
- 2 14 This offer was made and the purchaser was provided with a date of 31 January 2014 by which to reply No response was received from the purchaser
- 2 15 Consequently, in order to progress matters further it has been necessary for me to instruct a professional cost draftsman to respond to the points of dispute initially raised by the purchaser and to analyse the £2,820, bill of costs sought in this matter
- 2 16 These points of dispute have now been addressed and presented to the Court
- 2 17 The Court has now made a provisional assessment of costs in this matter of £1,573 50 in respect of the original claim The Court has also awarded a further £1,106 50 in respect of additional costs incurred for the assessment required as a result of the arguments put forward by PL
- 2 18 The total costs awarded by the Court are now £2,648 50 PL has been given until 9 April 2014 to challenge the decision of the Court, my solicitor continues to pursue this

Book Debts

- 2 17 Following further investigations, I was able to realise £170 30 which was the loose change held in the machines situated on site

3.0 INVESTIGATIONS

- 3 1 In accordance with the Company Directors Disqualification Act 1986 I have submitted a further report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills (BIS) As this is a confidential report, I am not able to disclose the contents and I refer creditors to my comments regarding my previous reports in the administration

4.0 CREDITORS

Secured Creditors

- 4 1 As creditors may recall, the amounts owing to the secured creditor were settled in full during the Administration and the debenture that was held has been released

Preferential Creditors

- 4 2 Preferential creditors received payment in full on their claims in the administration

Unsecured Creditors

- 4 3 A claim was received for £2,026,892.44 from the holding company associated with the company. This claim related to monies that it had invested in the Company. After investigation and consideration this claim was admitted for the purposes of dividend.
- 4 4 I have received and admitted further claims totalling £138,181.93 from 41 creditors. I have rejected claims from 9 creditors totalling £232,382. I did not receive claims from 3 creditors totalling £2,185.58.

5.0 DIVIDEND

- 5 1 As creditors will recall I declared and paid a first dividend of 5p/£ on 22 May 2013.
- 5 2 Given the difficulties experienced in collecting the debt above there is no likelihood of a further dividend and creditors should take this report as notice to this effect.

6.0 LIQUIDATOR'S REMUNERATION

- 6 1 Creditors approved that the basis of my remuneration be fixed by reference to the time properly spent by me and my staff in managing the Liquidation.
- 6 2 My time costs for the period from 26 February 2013 are £22,224.45. This represents 173.80 hours at an average rate of £127.87 per hour. Attached as Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by me in managing the Liquidation. To date, £11,195.48 plus disbursements of £543.25 has been drawn on account.

6 3 Below is further guidance on the work involved for each category

Description	Explanation
Administration & Planning	This time relates to the administrative duties undertaken by me and my staff. It includes all statutory duties in respect of my obligations to the Court, Companies House and periodic reviews. It includes time spent attending to tax and VAT issues.
Investigations	This time was spent considering and completing my report on the directors' conduct to the department of Business Innovation and Skills.
Realisations	This relates to the time spent in pursuing and obtaining the sums due under the terms of the buyer's premium and then seeking to obtain monies due from the resulting cost order. To include dealing with the correspondence from solicitors and preparing documents for court.
Creditors	This time relates to dealing with creditors' claims, agreeing them and making a distribution. It also deals with reporting to creditors and regular correspondence with creditors and the writing of this report.

6 4 Attached as Appendix C is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade.

6 5 A copy of 'A Creditors Guide to Liquidators' Fees' is available on request or can be downloaded from <http://www.milsted-langdon.co.uk/docs/Creditors-Guide-To-Liquidators-Fees-2012.pdf>

7.0 LIQUIDATOR'S EXPENSES

7.1 Since the 26 February 2013 the following Category 2 disbursements have been taken

- Photocopying £27 20
- Mailing fee £85 00
- Mileage £157 25

Description	Outstanding from prior period (Administration)	Incurred in this period	Paid in this period	Outstanding
Specific Bond	Nil	£260 00	£260 00	Nil
Archive Management	Nil	£15 15	£13 80	£1 35
Veale Wasbrough - Legal Fees	Nil	£4,017 00	£4,017 00	Nil
Veale Wasbrough – Legal Disbursements	Nil	£50 12	£50 12	Nil
Agents (Edward Symmons, sale of assets)	£11,627 00	Nil	£11,627 00	Nil
Agent (Veale Wasbrough – Agent to attend High Court in London)	Nil	£351 00	£351 00	Nil
Web site charges	Nil	£35 86	£35 86	Nil
Statutory Advertising	Nil	£169 20	£169 20	Nil
Total	£11,627.00	£4,898.33	£16,523.98	£1 35

8.0 CREDITORS' RIGHTS

- 8 1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report
- 8 2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive

9.0 NEXT REPORT

- 9 1 It is anticipated that the liquidation can be concluded within the next twelve months and therefore that the next progress report will be a final report concluding the liquidation

Yours faithfully

SIMON ASHLEY ROWE
Liquidator

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The Green Drinks Company Limited
(In Liquidation)
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		<u>1,149 27</u>
		<u><u>1,896.96</u></u>

Notes

This estate is VAT registered and therefore VAT should be recoverable

The following dividends have been paid to creditors,

Unsecured Distribution paid on 22/05/2013 of 5p in £

The Green Drinks Company Limited
Time and disbursement analysis
For the period 26 February 2013 to 25 February 2014

Charge group	Partner	Manager	Other Senior Professionals	Assistants and Support Staff	Total	Total cost (£)	Avg. Hourly Rate (£)
Administration & planning	0.25	10.42	29.95	10.85	51.47	5,630.60	109.40
Investigations	1.13	2.10	8.35	0.00	11.58	1,259.50	108.77
Realisations	1.28	1.50	12.85	3.55	19.18	2,237.05	116.63
Creditors	25.42	3.50	61.45	1.20	91.57	13,097.30	143.03
Total time	28.08	17.52	112.60	15.60	173.80	22,224.45	127.87

Disbursements

Photocopying	27.20
Mileage	157.25
Mailing Fee (Insolvency)	85.00
Bonding	260.00
Archive Management (Insolvency)	15.15
Total disbursements	544.60

Grand Total 22,769.05

**ADDITIONAL INFORMATION IN RELATION TO THE
OFFICE HOLDER'S FEES PURSUANT TO STATEMENT OF
INSOLVENCY PRACTICE 9**

1. Staff Allocation and the use of Sub-contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. Our charge out rate schedule below provides details of all grades of staff and their experience level
- 1.3 We have not utilised the services of any sub-contractors in this case

2. Professional Advisors

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis

Name of Professional Advisor	Basis of Fee Arrangement
Veale Wasbrough Vizards LLP	Time costs and disbursements

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them

Disbursements

- 2.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case
- 2.4 Category 2 disbursements do require approval from creditors. These are the costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, faxes and photocopying

2 5 We would advise that Category 2 disbursements are currently charged by this firm at the following rates

Disbursement	Charge
Faxes	20p per sheet
Internal room hire for creditors' meetings	£70
Mailing fees (including postage)	
VA Proposals	£3 25 per pack
Large – over 20 pages	£1 00 per pack
Large	80p per pack
Small	60p per pack
Mileage	45p per mile
Photocopies	10p per sheet

3. Charge-out Rates

3 1 A schedule of our charge-out rates for this assignment is detailed below These rates are reviewed on an annual basis but there have been no material increases in these rates since the commencement of this case

	£/hr
Partners	230-250
Managers and Administrators	85-175
Other administrative staff	29-65

3 2 Please note that this firm records its time in minimum units of 1 minute

4. Creditors' Guide to Fees

4 1 A Creditors' Guide to the manner in which remuneration charged in this case and the rules relating to this area are detailed in the guides available on request or from our website at <http://www.milsted-langdon.co.uk/specialisms/insolvency/creditors-guides-to-remuneration/>