

Liquidator's Progress Report

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

S. 192

To the Registrar of Companies

Company Number

05571546

Name of Company

(a) Insert full name
of company

(a) ICER BRANDS EUROPE LIMITED - IN LIQUIDATION

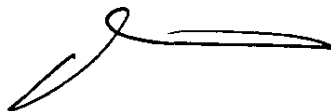
(b) Insert full name(s)
and address(es)

I ^(b)Paul Appleton of David Rubin & Partners, 26 - 28 Bedford Row, London,
WC1R 4HE

the Joint 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 9 June 2014 to 8 June 2015

Signed



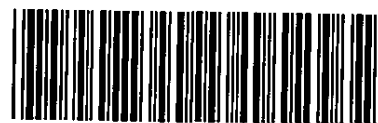
Date 20 July 2015

Presenter's name,
address and reference
(if any)

David Rubin & Partners
26 - 28 Bedford Row
London WC1R 4HE

Tel 020 7400 7900
DX Number 267 DX Exchange London/Chancery Lane

WEDNESDAY



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22/07/2015

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COMPANIES HOUSE

IN THE MATTER OF
ICER BRANDS EUROPE LIMITED - IN LIQUIDATION

AND
THE INSOLVENCY ACT 1986

THE JOINT LIQUIDATORS' FIRST ANNUAL PROGRESS REPORT
PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986
AND
RULE 4.49C OF THE INSOLVENCY RULES 1986
FOR THE YEAR ENDED 8 JUNE 2015

ICER BRANDS EUROPE LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

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ICER BRANDS EUROPE LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(a) Introduction

The Company was placed into liquidation by a Special Resolution of the Shareholders followed by a meeting of the creditors convened pursuant to Section 98 of the Insolvency Act 1986 on 9 June 2014. This report provides an update on the progress in the liquidation for the year ended 8 June 2015.

Rule 4.49C-CVL(5): Progress Report

(b) Statutory information

Company name	ICER Brands Europe Limited
Registered office	26-28 Bedford Row, London, WC1R 4HE
Company number	05571546
Trading address	Unit Z4-60, The Old Truman Brewery, 91 Brick Lane, E1 6QL

(c) Joints Liquidators' names and address:

Paul Appleton and Paul Cooper of David Rubin & Partners, 26 - 28 Bedford Row, London, WC1R 4HE were appointed Joint Liquidators of the Company on 9 June 2014.

(d) Basis of Joint Liquidators' remuneration

Basis of remuneration

- 1.1 At the first meeting of creditors, a resolution was passed approving that the basis of our remuneration as Joint Liquidators be fixed by reference to the time properly spent by our staff and ourselves in attending to matters arising in the winding-up.
- 1.2 In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), a schedule of our firm's charge-out rates was issued to creditors at the time the basis of the Joint Liquidators' remuneration was approved. There has not been any material increase in the rates during this appointment. Our current hourly chargeout rates exclusive of VAT, which are charged in units of 6 minutes, are as follows -

	£
Senior / Managing Partners	450
Partners/Office holders	300 - 395
Managers / Senior Managers	250 - 295
Senior Administrators	180 - 220
Administrators	130 - 160
Cashiers and Assistants	120 - 160
Supports	110 - 120

Chargeout rates are normally reviewed annually in November, 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.

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1 3 *Staff allocation and the use of subcontractors*

My general approach to resourcing my assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team will usually consist of a Partner, Manager, Senior Administrator and two Administrators. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment, and additional staff may be allocated to meet the demands of the case.

I have not utilised the services of any subcontractors in this case.

(e) Joint Liquidators' remuneration

My time costs for the year under review are £44,338. This represents 176.54 hours at an average rate of £250 per hour. I attach, as Appendix B, a Time Analysis, which provides details of the activity during the year, analysed by staff grade. No fees have been drawn to date on account of these time costs.

To view an explanatory note concerning Liquidators' remuneration issued by the Joint Insolvency Committee, please visit the Publications folder on our website at www.drpartners.com/cases, using the following log-on details:

USERNAME: 1842 ice@sharesrvr.com PASSWORD: eci2481*

Alternatively, please contact this office to arrange for a copy to be sent to you.

Included in the work undertaken by me and my staff is, inter alia, the following -

- i) Dealing with creditors' enquiries, both by correspondence and by telephone, and noting their claims.
- ii) Applying for the Joint Liquidators' bond, as required by the Insolvency Practitioners Regulations 2005.
- iii) Carrying out all necessary investigations, including the examination of the company's statutory records and books of accounts and records, in order to enable me to prepare and submit my report on the conduct of the Directors pursuant to the requirements of the Company Directors Disqualification Act 1986.
- iv) Dealing with all matters relating to book debts, including reconciling the Company's sales ledger, correspondence and telephone attendances with the debtors and, subsequently, correspondence with my Debt Collection Agent, Grace & Good Limited ("G&G").
- v) Liaising with my Agents, Eddison Commercial Limited ("ECL"), regarding the marketing and sale of the Company's chattel assets.
- vi) Correspondence with the Company's landlord and subtenant regarding the potential recovery of rent and the rent deposit.
- vii) Extensive and protracted correspondence with the Company's parent, ICER International Holdings LLC ("IIH"), concerning intercompany transactions.

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(f) Joint Liquidators' expenses

Expenses incurred in the liquidation are explained at (g) below in my comments on the Receipts and Payments Accounts

(g) Details of progress for the period under review and cumulatively:

Creditors will recall that the Company's assets, as per the Director's Estimated Statement of Affairs ("ESOA"), included Rent Deposits in respect of its occupation of premises at Great Portland Street and The Old Truman Brewery, for the amounts of £29,312 and £2,338 respectively. The Rent Deposits have not been realised, as anticipated, due to the level of rent arrears owed to the respective landlords. I make further comment concerning the Great Portland Street premises at 1.2 below.

A VAT refund in the sum of £2,219 was also scheduled on the ESOA. This was not recovered due to the fact that any refund would be subject to Crown set off, and HM Revenue & Customs ("HMRC") liabilities in respect of PAYE & NIC exceed the amount of the potential refund. In fact, HMRC has submitted a claim in the liquidation for unpaid VAT, although it is understood that this claim is based on assessments.

A Receipts and Payments Account is attached, at Appendix A, which is further explained below.

1. Receipts

1.1 Book Debts – Surplus from RBSIF

The Company utilised invoice finance with RBS Invoice Finance ("RBSIF"). Per the ESOA, these totalled £1,762 and RBSIF were owed £712. Following collection of these debts and deduction of the sums owed to RBSIF, the balance of £1,052 was realised.

1.2 Fixtures, Fittings & Equipment and Stock

The Company's chattels assets, comprising Fixtures, Fittings & Equipment and Stock, which were estimated to realise £275 and £750 respectively, were sold at auction by EDL. A total of £2,801 was realised from the sale of these assets.

1.3 Book Debts

Debts not subject to invoice finance had a book value of £107,441 and were estimated to realise £6,310 as per the ESOA due to the level of known disputes. Significant correspondence was undertaken with the debtors to pursue the recovery of the amounts owed. However, this resulted in a realisation of just £457. Subsequently, G&G were instructed to pursue the book debts on my behalf and a further £1,653 was recovered. Due to the levels of disputes, and difficulties in pursuing a number of debtors based outside of the UK, it is unlikely that any further realisations will be made.

ICER BRANDS EUROPE LIMITED - IN LIQUIDATION
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1.4 Cash at Bank

The Company banked with Royal Bank of Scotland plc ("RBS") The ESOA disclosed a credit balance with RBS of £10,841 I contacted RBS shortly after my appointment, and requested that all accounts in the Company's name be closed and that the aggregate balance be forwarded to me I received the sum of £13,648 from RBS

1.5 Cash held on Appointment

The amount of £9,071 was held by my firm, prior to my appointment as Joint Liquidator, specifically for the purposes of meeting the costs of the Statement of Affairs fee as detailed below This sum is comprised of a payment from the Company of £4,000, together with the balance of its petty cash in the sum of £5,071, which relates to a sale of stock prior to my appointment

1.6 Rent

Following my appointment, I liaised with the Company's subtenant at Great Portland Street to enquire as to whether it had any interest in taking an assignment of the lease Enquires were also made of the landlord as to whether it would be prepared to accept the same As part of, and during, this process, the landlord's agents notified me that the rent deposit was being utilised to discharge the rent and service liabilities Rent totalling £16,406 was collected from the subtenant into the liquidation estate account Subsequently, a surrender of the lease was agreed with the landlord

1.7 Bank Interest Gross

The funds in hand are held in an interest bearing account with a High Street bank in the Joint Liquidators' names as Joint Liquidators of the Company Interest earned on the funds in hand amounts to £59

1.8 Refund

A refund in respect of national non-domestic rates was realised from London Borough of Tower Hamlets in the sum of £635

2. Payments

2.1 Statement of Affairs Fee

This fee relates to the assistance given to the Directors of the Company in notifying and convening the members and creditors meetings pursuant to Section 98 of the Insolvency Act 1986, and the preparation of the Statement of Affairs and Directors' Report to creditors This fee was approved at the first meeting of creditors

2.2 Statutory Advertising

This represents the costs for the publishing of statutory advertising in the London Gazette in respect of the first meetings of the members and creditors, the notice of the appointment of the Liquidator and to creditors to submit their claims in the liquidation

ICER BRANDS EUROPE LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

2.3 Debt Collection Fees

The amount of £1,230 has been paid to G&G in respect of services provided in respect of the recovery of the Company's book debts. It was agreed that G&G would charge fees equivalent to 40% of the debts realised. This level of fee was agreed due to the known disputes and difficulties in recovering the debts, prior to the instruction of G&G.

2.4 Agents fees

The amount of £1,230 was paid to EDL in respect of their fees for providing the valuation of the Company's chattel assets and for the marketing and sale of the same. There is no amount outstanding in respect of agent's fees.

EDL was selected as agents on the basis of their experience and expertise in dealing with valuations and sale of assets in insolvency situations, taking into account the locality and size of the Company. The agreed basis of EDL's fees was time costs and I have received and reviewed a report of the time.

2.5 Expenses incurred and not yet paid

The costs of archiving and storing the Company's books and records in the sum of £280, together with the cost of Bonding for £116, have been incurred by my firm and not yet recharged to the Company in liquidation.

(h) Details of any assets that remain to be realised and outstanding matters

Apart the book debts referred to at (g)1.3 above, and my comments at (i)1.3 below, all assets have been realised.

(i) Investigations

- 1.1 In accordance with the Company Directors Disqualification Act 1986, I have submitted a 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.
- 1.2 Shortly after my appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting, or as a response to my request to complete an investigation questionnaire. My investigations revealed that further enquiries should be made of IIH concerning various intercompany transactions.
- 1.3 Subsequently, I have been involved in protracted correspondence with IIH regarding certain payments made by the Company to IIH during the period prior to liquidation. This correspondence remains ongoing and, as I do not wish to prejudice the outcome of these discussions prior to their conclusion, I will not provide further details at this stage. Creditors will, of course, be advised further in due course.

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(j) Creditors' rights – Rule 4.49E and Rule 4.131

- i) 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 provides further information about his remuneration or expenses, which have been itemised in this progress report
- ii) 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 the basis fixed for the Liquidators' remuneration, the remuneration charged, or the expenses incurred by the Liquidator, as set out in this progress report, are excessive

(k) Any other relevant information:

(i) Preferential Creditors

I have received no claims, which would be classed as preferential in this matter

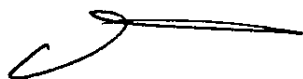
(iii) Unsecured Creditors

The claims of nine Unsecured Creditors totalling £119,744 have been received compared to fifteen totalling £152,835 disclosed on the Director's Estimated Statement of Affairs. At the present time, dividend prospects for this class of Creditor are at best uncertain

(l) Next report

I am required to provide a further report on the progress of the liquidation within two months of the end of the next anniversary of the liquidation, unless I have concluded matters prior to that, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors

I trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact in the first instance either my Senior Manager, Glyn Middleton, or his assistant, Daniel Jolliffe, at this office



PAUL APPLETON - JOINT LIQUIDATOR

DATE: 20 JULY 2015

ICER BRANDS EUROPE LIMITED - IN LIQUIDATION
JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT
FROM 9 JUNE 2014 TO 8 JUNE 2015

	<u>Estimated</u> <u>to realise</u> £	<u>Realised to date</u> <u>08-Jun-15</u> £
<u>Receipts</u>		
Book Debts (Surplus from RBS Invoice Finance)	1,050 00	1,052 66
Rent Deposit - Great Portland Street	29,312 00	Nil
Rent Deposit - The Old Truman Brewery	2,338 00	Nil
Stock, Furniture, Fittings & Equipment	1,025 00	2,801 00
Book Debts	6,310 00	2,110 34
Cash at Bank	10,841 00	13,648 69
Cash held on Appointment	9,071 00	9,070 99
Rent		16,406 25
Bank Interest Gross of Tax		59 20
Refund/Recovery		635 39
		<u>45,784 52</u>
<u>Payments</u>		
Statement of Affairs Fee		7,500 00
Statutory Advertising		338 40
Debt Collection Fees		661 26
Agents/Valuers Fees (2)		1,230 10
		<u>9,729 76</u>
Receipts less Payments		<u><u>36,054 76</u></u>
<u>Represented by:-</u>		
VAT Receivable		378 27
Balance at Bank		39,517 94
VAT Payable		(3,841 45)
		<u><u>36,054 76</u></u>

ICER BRANDS EUROPE LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

JOINT LIQUIDATORS' TIME COSTS
FOR THE PERIOD 9 JUNE 2014 TO 8 JUNE 2015
SIP 9 TIME SUMMARY

Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning							
IPS set up & maintenance	00 00	00 00	01 18	00 00	01 18	241 00	185 38
Statutory filings, circulars, notices, etc	00 00	00 00	18 00	00 00	18 00	2,340 00	130 00
Case planning, strategy & control	00 00	05 30	06 36	00 00	12 06	2,831 50	234 01
Taxation PAYE, C/Tax & VAT	00 00	01 30	00 00	00 00	01 30	442 50	295 00
Accounting & Cashiering	00 00	04 30	00 54	05 12	10 36	2,257 50	212 97
Case reviews & Diary maintenance	08 00	00 00	03 54	00 00	11 54	3,197 00	268 66
Statutory reporting and compliance	02 00	00 00	00 00	00 00	02 00	640 00	320 00
Investigations							
CDDA preparation & reporting	02 00	00 00	07 30	00 00	09 30	2,550 00	268 42
SIP2 assessment and financial review	00 00	04 30	08 42	00 00	13 12	3,241 50	245 57
Antecedent transactions & wrongful trading	09 00	02 42	19 06	00 00	30 48	9,012 50	292 61
Proceedings & recoveries	00 00	00 00	00 24	00 00	00 24	88 00	220 00
Realisation of assets							
Freehold & leasehold properties	00 00	12 12	00 00	00 00	12 12	3,599 00	295 00
Book debts collection	07 00	09 42	25 24	00 00	42 06	11,221 50	266 54
Tangible assets	03 00	00 54	01 06	00 00	05 00	1,857 50	371 50
Creditors							
Preferential creditors & employees	00 00	00 00	06 18	00 00	06 18	819 00	130 00
Total hours and costs	31 00	41 30	99 12	05 12	176 54	44,338 50	250 64

The above headings include *inter alia*

Administration and Planning

case planning
appointment notification
maintenance of records
statutory reporting and compliance
tax and VAT

Realisation of Assets

identifying and securing assets
debt collection
property, business and asset sales

Investigations

SIP2 review
reports pursuant to Company Directors
Disqualification Act 1986
investigating antecedent transactions

Creditors

communications with creditors
creditors claims (including secured creditors,
employees and preferential creditors)