

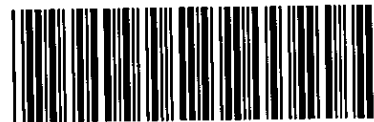
# LIQ03

## Notice of progress report in voluntary winding up



Companies House

TUESDAY



\*A6AGBR15\*  
A13 11/07/2017 #164  
COMPANIES HOUSE

### 1 Company details

Company number 0 6 8 9 5 3 9 5

Company name in full Hemp Technology Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) John

Surname Kirkpatrick

### 3 Liquidator's address

Building name/number 92 London Street

Street Reading

Post town

County/Region Berkshire

Postcode R G 1 4 S J

Country

### 4 Liquidator's name

Full forename(s) David

Surname Tann

#### • Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address

Building name/number 92 London Street

Street Reading

Post town

County/Region Berkshire

Postcode R G 1 4 S J

Country

#### • 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	1	3	0	5	2	0	1	6
To date	1	2	0	5	2	0	1	7

### 7 Progress report

☒ The progress report is attached

### 8 Sign and date

Liquidator's signature

Signature

X *[Handwritten Signature]*

X

Signature date

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0 7 0 7 2 0 1 7

# LIQ03

## Notice of progress report in voluntary winding up



### 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.

John Arthur Kirkpatrick

Wilkins Kennedy LLP

92 London Street

Reading

Berkshire

Postcode

R G 1 4 S J

DX

0118 951 2131



### Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



### Important information

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



### Where to send

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

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



### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

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

**Hemp Technology Limited  
In Liquidation  
("the Company")**

**Annual Progress Report to the Members and Creditors  
for the year ending 12 May 2017**

**Wilkins Kennedy LLP  
92 London Street  
Reading  
Berkshire  
RG1 4SJ**

## **CONTENTS**

1. Introduction
2. Background
3. Receipts and payments account
4. Asset realisations
5. Expenditure
6. Investigations
7. Creditors' claims
8. Dividend prospects
9. Conclusion

## **APPENDICES**

- I. Receipts and payments account
- II. Analysis of time costs, explanation of time charging and disbursements recovery policy and complaints procedure

## **1. INTRODUCTION**

The anniversary of my appointment as joint liquidator has passed and I am required to send you a report on what has happened in the liquidation in the past year.

In summary, I have requested further information from the chargeholders, Hazel Renewable Energy VCT1 Plc, Hazel Renewable Energy VCT2 Plc and Neptune-Calculus Income & Growth VCT Plc, to establish the validity and quantum of debt being demanded under the terms of the respective charges. The information provided has led to further queries regarding the balance outstanding and clarification has been sought to establish the correct amount. Once received and the further advice of my solicitor sought, I anticipate that I will be in a position to make an interim distribution under the terms of these floating charges and calculate the distribution to unsecured creditors in accordance with the prescribed part provisions as detailed below.

## **2. BACKGROUND**

The joint liquidators were appointed on 13 May 2014, following the conclusion of the previous administration.

The Company's registration number is 06895395 and its current registered office is 92 London Street, Reading, Berkshire, RG1 4SJ.

The Company's former registered office was Halesworth Business Centre, Norwich Road, Halesworth, IP19 8QJ. This was also the former trading address.

## **3. RECEIPTS AND PAYMENTS ACCOUNT**

Appendix I is a summary of receipts and payments for the year from 13 May 2016 to 12 May 2017. As at 12 May 2017 a total of £189,639.47 was held in the liquidation account. This account is held at Metrobank Plc. It is interest bearing and I confirm that it has been reconciled to the bank statements.

## **4. ASSET REALISATIONS**

- 4.1. There have been no further asset realisations in this matter.

## **5. EXPENDITURE**

- 5.1. Joint liquidators' remuneration

My remuneration was authorised by creditors during the administration of the Company at a meeting held on 24 December 2013 to be drawn on a time costs basis. My total time costs to 12 May 2017 amount to £28,509.35, representing 146.95 hours which have been charged at an average hourly charge out rate of £194.01. Of this balance, £5,688.60 was incurred in the period 13 May 2016 to 12 May 2017, representing 25.80 hours at an average hourly charge out rate of £220.49.

I have drawn £27,602.25 to date, £9,169 of which was drawn in this reporting period.

A description of the routine work undertaken in the liquidation is set out at Appendix II.

A creditors' guide to liquidators' fees is available at the following internet link, [www.r3.org.uk/index.cfm?page=1210](http://www.r3.org.uk/index.cfm?page=1210). A hard copy of this document is available free of charge upon request to my office.

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the

joint liquidators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with 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.

## 5.2. Joint liquidators' expenses

My expenses to 12 May 2017 amount to £1,407.65 of which £362.62 were incurred during the period 13 May 2016 to 12 May 2017.

I have drawn £1,351.65 to date, £384.94 of which was drawn during the period 13 May 2016 to 12 May 2017.

The following expenses have been incurred but have not yet been paid:

<u>Particulars of expense</u>	<u>Type of expense (category 1 or 2)</u>	<u>Amount incurred/ accrued to date</u>	<u>Amount outstanding</u>
Storage costs	Category 1	£1,068.37	£56.00

The following agents and professional advisors have been used in the liquidation:

<u>Agent / professional advisor</u>	<u>Nature of work</u>	<u>Fee arrangement</u>
Haines Watts	Completion of Corporation Tax return	Fixed fee of £200 plus VAT.
Total Asset Recovery	Attendance on site and valuation of the business and assets.  Assistance in establishing what costs should be incurred during the period prior to the administrators' appointment.  Assistance in negotiating a sale of the business and/or assets.	Valuation fee of £1,500 plus VAT.  Commission fee of 10% plus VAT on sale proceeds over £100,000 or 15% plus VAT on sale proceeds under £100,000.
Clifton Ingram Solicitors LLP	Review of charges in favour of Hazel Renewable Energy VCT2 Plc, Neptune-Calculus Income & Growth VCT Plc and Hazel Renewable Energy VCT1 Plc	Time costs.

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

## 5.3. Book Debts

As previously advised, the amount of £13,094.84 was paid to Lloyds TSB Commercial Finance under the terms of its fixed charge security as some of the funds which it received during the

liquidation were incorrectly calculated by Lloyds TSB Commercial Finance in pounds sterling rather than euros.

## **6. INVESTIGATION**

- 6.1. I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. I considered in particular transactions which took place at the time of and immediately prior to the Company ceasing to trade.

There were no matters that justified further investigation in the circumstances of this appointment.

- 6.2. Within six months of my appointment, I was required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present director would make them unfit to be concerned with the management of the Company. I confirm that my report has been submitted.

## **7. CREDITORS' CLAIMS**

- 7.1. Secured creditors

The Company granted an all assets debenture to Lloyds TSB Commercial Finance on 27 July 2012 in support of their invoice finance agreement. As previously advised, all sums outstanding to Lloyds TSB Commercial Finance have been collected in full under the terms of their agreement.

The Company also gave fixed and floating charges to Hazel Renewable Energy VCT1 Plc, Hazel Renewable Energy VCT2 Plc and Neptune-Calculus Income & Growth VCT Plc on 14 July 2011 in respect of various loans provided to the Company.

As Lloyds TSB Commercial Finance have been discharged in full from debt collections, the remaining asset realisations are subject to the floating charges held by Hazel Renewable Energy VCT1 Plc, Hazel Renewable Energy VCT2 Plc and Neptune-Calculus Income & Growth VCT Plc.

My solicitor undertook an initial formal review of these charges to establish their validity in anticipation of declaring any distributions under the terms of the respective chargeholders' security. Following the initial review, further information was requested from the chargeholders in order to establish validity and the quantum of the debt being demanded.

Section 176A(1)(a) of the Insolvency Act 1986 requires that, where the Company has created a floating charge after 15 September 2003, the liquidator(s) must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims. "net property" means the amount which would, were it not for this provision, be available to floating charge holders (i.e. after accounting for preferential debts and the costs of the liquidation).

The prescribed part is calculated as 50% of the first £10,000 of net property and 20% of the balancing net property (up to a maximum amount to be made available of £600,000). A liquidator will not be required to set aside the prescribed part if:

- the net property is less than £10,000 and he thinks the cost of distributing the prescribed part would be disproportionate to the benefit (Section 176A(3)); or



- he applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

The floating charge was created after 15 September 2003 and so the prescribed part will be applied pursuant to Section 176A of the Insolvency Act 1986 and made available to unsecured creditors. My current estimate of the prescribed part is c. £40,000 before costs associated with the agreement of unsecured creditor claims.

## 7.2 Preferential creditors

Preferential creditor claims totalled £1,834.72 and the dividend of 100p in the £ was paid on 11 May 2016.

## 7.3. Unsecured creditors

To date, I have received 77 unsecured claims totalling £3,466,904.82 compared to £4,234,301.36 estimated in the statement of affairs. The reason for this discrepancy is that not all creditors listed in the statement of affairs have submitted a claim in the proceedings.

Claims have not yet been agreed or admitted for dividend purposes.

## 8. DIVIDEND PROSPECTS

Based on current information, there will be sufficient funds to enable a dividend to the unsecured creditors of the Company in accordance with the prescribed part provisions.

## 9. CONCLUSION

The liquidation will remain open until my solicitor is able to ascertain the exact amounts to which the chargeholders Hazel Renewable Energy VCT1 Plc, Hazel Renewable Energy VCT2 Plc and Neptune-Calculus Income & Growth VCT Plc are entitled. Once this has been established I will make a distribution to the secured creditors and calculate the dividend available to unsecured creditors in accordance with the prescribed part provisions. Once these matters have been finalised then my files will be closed.

The next formal report is due after the next anniversary of the liquidation, or the conclusion of the liquidation, whichever is sooner. However, I will be happy to respond to any specific request for further information submitted in the meantime.

When contacting this office about the liquidation, please ask for Jodie Gilbert.



---

John Arthur Kirkpatrick  
Joint Liquidator

**Hemp Technology Limited - In Creditors Voluntary Liquidation  
Joint Liquidators' Abstract of Receipts & Payments**

**From 13 May 2016 To 12 May 2017**

<b>S of A £</b>		<b>As Previously Reported</b>	<b>13/05/16 to 12/05/17</b>	<b>Total £</b>
<b>RECEIPTS</b>				
NIL	Plant & Machinery	9,775.30	NIL	9,775.30
NIL	Stock	53,034.47	NIL	53,034.47
NIL	Bank Interest Gross	1,062.98	326.94	1,389.92
NIL	Transfer From Administration	200,324.75	NIL	200,324.75
NIL		264,197.50	326.94	264,524.44
<b>PAYMENTS</b>				
	Book Debts	(13,094.84)	NIL	(13,094.84)
	Office Holders Fees	(18,433.25)	(9,169.00)	(27,602.25)
	Agents/Valuers Fees (1)	(24,855.44)	NIL	(24,855.44)
	Legal Fees	NIL	(3,355.00)	(3,355.00)
	Corporation Tax	(23.32)	NIL	(23.32)
	Storage Costs	(705.75)	(306.62)	(1,012.37)
	Accountancy Fees	NIL	(200.00)	(200.00)
	Postage & Stationery	(150.96)	(78.32)	(229.28)
	IT Administration Fee	(110.00)	NIL	(110.00)
	Administrators Fees	(2,168.25)	NIL	(2,168.25)
	Vat Receivable	(281.70)	(117.80)	(399.50)
	Preferential Creditors	(1,834.72)	NIL	(1,834.72)
		(61,658.23)	(13,226.74)	(74,884.97)
<b>CASH IN HAND</b>		202,539.27	(12,899.80)	189,639.47

# WILKINS KENNEDY LLP

Schedule of joint liquidators' remuneration and disbursements

for

**Hemp Technology Limited**

as at 12 May 2017

## JOINT LIQUIDATORS' FEES

Classification Of work function	HOURS					Time Cost £	Average hourly rate £
	Partner	Manager	Other senior Professionals	Assistants & support staff	Total Hours		
Administration & planning	7.20	10.10	17.90	6.10	41.30	7,737.40	187.35
Cashiering & accounting	10.10	1.30	3.55	24.70	39.65	7,156.45	180.49
Investigations	-	1.20	-	-	1.20	372.00	310.00
Realisation of assets	-	2.80	9.50	-	12.30	2,236.00	181.79
Creditors	3.30	14.50	14.10	1.20	33.10	7,796.00	235.53
Statutory matters	0.20	3.10	16.10	-	19.40	3,211.50	165.54
Total hours	20.80	33.00	61.15	32.00	146.95	28,509.35	194.01
Total fees claimed (£)						(27,602.25)	

## Wilkins Kennedy LLP Charge-Out Rates

**1 March 2015 to 31 December 2016**

£

Partners	400.00 - 450.00
Directors/Managers	270.00 - 300.00
Senior Administrators	145.00 - 195.00
Administrators	100.00 - 160.00
Junior/Trainee Administrators	50.00 - 110.00
Cashiers/Secretaries	75.00 - 90.00

**1 January 2017 to date**

£

Partners	400.00 - 460.00
Directors/Managers	230.00 - 360.00
Senior Administrators	145.00 - 200.00
Administrators	100.00 - 160.00
Junior/Trainee Administrators	50.00 - 110.00
Cashiers/Secretaries	75.00 - 90.00

# WILKINS KENNEDY LLP

Schedule of joint liquidators' remuneration and disbursements

for

**Hemp Technology Limited**

For the period 13 May 2016 to 12 May 2017

## JOINT LIQUIDATORS' FEES

Classification Of work function	HOURS					Time Cost £	Average hourly rate £
	Partner	Manager	Other senior Professionals	Assistants & support staff	Total Hours		
Administration & planning	0.50	4.40	1.00	1.20	7.10	1,576.70	222.07
Cashiering & accounting	4.40	0.80	0.20	7.70	13.10	2,717.90	207.47
Investigations	-	-	-	-	-	-	-
Realisation of assets	-	-	-	-	-	-	-
Creditors	0.10	4.20	-	-	4.30	1,179.00	274.19
Statutory	-	0.50	0.80	-	1.30	215.00	165.38
Total hours	5.00	9.90	2.00	8.90	25.80	5,688.60	220.49
Total fees claimed (£)						(9,169.00)	

## Wilkins Kennedy LLP Charge-Out Rates

**1 March 2015 to 31 December 2016**

**£**

**1 January 2017 to date**

**£**

Partners 400.00 - 450.00  
 Directors/Managers 270.00 - 300.00  
 Senior Administrators 145.00 - 195.00  
 Administrators 100.00 - 160.00  
 Junior/Trainee Administrators 50.00 - 110.00  
 Cashiers/Secretaries 75.00 - 90.00

Partners 400.00 - 460.00  
 Directors/Managers 230.00 - 360.00  
 Senior Administrators 145.00 - 200.00  
 Administrators 100.00 - 160.00  
 Junior/Trainee Administrators 50.00 - 110.00  
 Cashiers/Secretaries 75.00 - 90.00

## **Explanation of officeholders time charging policy**

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), the charge out rates detailed on the previous page are applicable to this appointment exclusive of VAT. Rates are normally reviewed on an annual basis and adjustments made accordingly where deemed appropriate.

Time is recorded in 6 minute units by each staff member working on the case. A description of the routine work undertaken which time will be recorded for is detailed as follows:

1. Administration and planning
  - Preparing documentation and dealing with the formalities of appointment.
  - Statutory notifications and advertising.
  - Dealing with all routine correspondence.
  - Maintaining physical case files and electronic case details.
  - Reviewing the ongoing progression of case files.
  - Arranging the collection and storage of company records.
  - Ensuring an appropriate case bordereau is in place.
  - Case planning and administration.
  - Preparing reports to members and creditors.
  - Convening and holding meetings of members and creditors where appropriate.
2. Investigations
  - Review and storage of the Company's books and records.
  - Preparation of returns / reports pursuant to the Company's Directors Disqualification Act 1986.
  - Conduct investigations into any suspicious transactions.
  - Reviewing the books and records to identify any transactions or actions that the officeholder may take in order to recover funds for the benefit of creditors.
3. Realisation of assets
  - Identifying, securing and obtaining sufficient insurance in respect of company assets.
  - Dealing with any retention of title or other third party claims.
  - Debt collection functions.
  - Negotiating and completing property, business and asset sales.
4. Trading
  - Management of trading operations.
  - Maintaining and preparing accounting records for the period of trade.
  - Dealing with ongoing employee issues.
5. Creditors
  - Dealing with creditor correspondence and telephone conversations.
  - Maintaining creditor information and claims (including those submitted by secured creditors, employees and other preferential creditors).

## **Explanation of officeholders disbursement recovery policy**

SIP 9 also requires that the office holder provide a statement of the officeholder's policy in relation to the recharging of disbursements. SIP 9 defines disbursements as either Category 1 or Category 2 disbursements, further details of which are below.

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising,

invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Category 2 disbursements will generally comprise costs which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs.

#### Charging and disbursement recovery policy

Category 1 disbursements are recoverable without approval, and will be recovered by the officeholder as they are incurred.

Category 2 disbursements do require approval, and should be identified and subject to approval by those responsible for approving remuneration. SIP 9 provides that the officeholder may make a separate charge for expenses in this category, provided that:

- such expenses are of an incidental nature and are directly incurred on the case, and there is a reasonable method of calculation and allocation; it will be persuasive evidence of reasonableness, if the resultant charge to creditors is in line with the cost of external provision; and
- the basis of the proposed charge is disclosed and is authorised by those responsible for approving his remuneration.

Payments to outside parties in which the officeholder or his firm or any associate (as defined by Section 435 of the Insolvency Act 1986) has an interest should be treated as category 2 disbursements.

The following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Photocopying	5p per sheet
Mileage	45p per mile (40p per mile prior to 6 April 2011)
Meeting Room	£50

#### **Complaints procedure**

Details of our complaints procedure are available on our website using the following link:  
<http://www.wilkinskennedy.com/services/wk-restructuring-recovery/insolvency/complaints-procedure>