

LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



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11/11/2017

#133

COMPANIES HOUSE

1 Company details

Company number 0 7 1 3 5 4 7 6

Company name in full Value Booze Cash and Carry Limited

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

2 Liquidator's name

Full forename(s) Mark

Surname Phillips

3 Liquidator's address

Building name/number Suite 108

Street Collingwood Buildings

Post town 38 Collingwood Street

County/Region Newcastle upon Tyne

Postcode N E 1 1 J F

Country

4 Liquidator's name ①

Full forename(s) Julie

Surname Swan

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

5 Liquidator's address ②

Building name/number Suite 108

Street Collingwood Buildings

Post town 38 Collingwood Street

County/Region Newcastle upon Tyne


Postcode N E 1 1 J F

Country

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

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6	Period of progress report											
From date	d	2	1	m	0	5	y	2	0	1	6	
To date	d	2	0	m	0	5	y	2	0	1	7	
7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												
8	Sign and date											
Liquidator's signature	<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;">X</div> <div style="flex-grow: 1;">  </div> <div style="margin-left: 10px;">X</div> </div>											
Signature date	d	0	2	m	1	1	y	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.

Contact name	Keith Hewison
Company name	PCR (Newcastle) Limited
Address	Suite 108 Collingwood Buildings 38 Collingwood Street Newcastle upon Tyne NE 1 1JF United Kingdom 0191 229 9656

**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 or email 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



**Value Booze Cash and Carry Limited
In Creditors' Voluntary Liquidation**

**Annual Progress Report to the Members and
Creditors Pursuant to Section 104A of
The Insolvency Act 1986 and
Rules 18.1 and 18.7 of the Insolvency Rules 2016**

For the year ending 20 May 2017

Value Booze Cash and Carry Limited – In Liquidation
Annual Progress Report to Members and Creditors
For the period ended 20 May 2017

CONTENTS

1. Introduction
2. Statutory Information
3. Progress of the Liquidation
4. Receipts and Payments Account
5. Asset Realisation
 - 5.1 Debtors
 - 5.2 Other Assets
6. Liabilities
 - 6.1 Secured Creditors
 - 6.2 Preferential Creditors
 - 6.3 Crown Creditors
 - 6.4 Unsecured Creditors
 - 6.5 Dividend Prospects
7. Pre-Appointment Remuneration
8. Joint Liquidators' Remuneration
9. Joint Liquidators' Expenses
10. Investigation Matters
11. Further Information
12. Conclusion

Appendices

- I. Receipts and Payments Account
- II. Schedule of Joint Liquidators' Time Costs and Schedule of Hourly Rates
- III. Schedule of Creditors' Claims

Value Booze Cash and Carry Limited – In Liquidation
Annual Progress Report to Members and Creditors

1. INTRODUCTION

We, Lee Pryor and Julie Swan of PCR (Newcastle) LLP, Suite 108 Collingwood Buildings, 30 Collingwood Street, Newcastle Upon Tyne, NE1 1JF, were appointed to act as Joint Liquidators of Value Booze Cash and Carry Limited ("the Company") at a meeting of members and creditors held on 21 May 2015.

Please note that Lee Pryor resigned as Joint Liquidator on 7 March 2017, with Mark Phillips of PCR (Newcastle) LLP being appointed as Joint Liquidator immediately after. We now report pursuant to Section 104A of the Insolvency Act 1986 and provide our annual progress report in this matter.

2. STATUTORY INFORMATION

Company Name: Value Booze Cash and Carry Limited

Company Number: 07135476

Date of Incorporation: 26 January 2010

Registered Office: C/o PCR (Newcastle) Limited
108 Collingwood Buildings
Collingwood Street
Newcastle Upon Tyne
Tyne and Wear
NE1 1FT

Former Registered Office: Unit 381C
Jedburgh Court
Team Valley Trading Estate
Gateshead
NE11 0BQ

Previous Trading Address: Unit 381C
Jedburgh Court
Team Valley Trading Estate
Gateshead
NE11 0BQ

Nature of Business: 46342 – Wholesale of wine, beer, spirits and other alcoholic beverages

Company Directors:

Sana Rahman	26/01/2010	In Office

Shareholding: 1,300 ordinary shares of £1 each, held as follows:

Sana Rahman	650 Ordinary Shares	50%
Abdul Rehman	650 Ordinary Shares	50%

Charges:	Companies House records indicate that there are no charges registered against the Company.
Liquidators' Names:	Julie Swan and Mark Phillips
Liquidators' Address:	C/o PCR (Newcastle) Limited 108 Collingwood Buildings Collingwood Street Newcastle Upon Tyne Tyne and Wear NE1 1FT
Date of Appointment:	21 May 2015

3. PROGRESS OF THE LIQUIDATION

Since our appointment as Joint Liquidators we have fulfilled our statutory duties in relation to filings with Companies House and other statutory obligations.

We have continued our efforts to realise the known assets in the estate and we have continued to pursue potential claims we, as Liquidators, may have against the directors and/or other third parties.

We conducted detailed investigations into the Company's affairs and liaised with H M Revenue & Customs ("HMRC") in relation to this, who had commenced their own enquiries prior to our appointment. Potential claims against the director was identified, and it was necessary to commence legal proceedings in order to facilitate recovery.

We have now been successful in obtaining a charging order over the director's property and further details in relation to this are given below.

Our solicitors are currently negotiating with the director over the receipt of the agreed settlement of the Liquidators' claim, however if this is not possible, we will look to enforce our charge over the property and effect a sale.

4. RECEIPTS AND PAYMENTS ACCOUNT

A summary of our receipts and payments account for the period covered by this report from 21 May 2016 to 20 May 2017, and a cumulative account for the entire Liquidation from 21 May 2015 to 20 May 2017 are attached at Appendix I.

5. ASSET REALISATION

Please refer to our previous reports for details of all other assets realised in the previous periods.

Debtors – Claim against Directors

Upon our appointment, we understood that a director's loan of £49,632 was due to the Company. In addition, a further sum of £235,632, purportedly book debts, was listed as an asset in the 2014 accounts. However, following our investigations, it became clear that this balance had not been allocated correctly. We duly made enquiries into these matters and received a number of differing explanations from the director which did not satisfactorily explain the discrepancies between the director's statement of affairs and the actual position.

As a result, we commenced proceedings against the directors to seek recovery of the loan account and the other sums that we considered due.

We were successful in obtaining a freezing injunction order over the director's assets on 28 April 2016 and a further hearing was scheduled for 10 June 2016, accompanied by a timetabled set of directions, to which the directors failed to adhere.

Subsequently, we obtained a charging order over the director's property at Ellesmere Road.

Following this, on 5 June 2017, we received an offer from the director of £60,000, to be paid in instalments, in full settlement of the claim. The offer was accepted, however we are yet to receive the first instalment as agreed. As a result our solicitors are liaising with the directors' legal representative to allow the directors a final opportunity to honour their offer, prior to commencing proceedings to effect a sale of the property at Ellesmere Road.

6. LIABILITIES

6.1 Secured Creditors

An examination of the Company's mortgage register held by Companies House showed that the Company had no outstanding charges against its assets.

The legislation requires that if a company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors.

If the prescribed part were to apply, the Liquidator must set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property up to a maximum of £600,000

In this case there were no creditors secured by a floating charge so the prescribed part provisions do not apply.

6.2 Preferential Creditors

There are no preferential claims in the Liquidation.

6.3 Crown Creditors

The statement of affairs included a total liability to HM Revenue & Customs ("HMRC") of £105,582.00 in relation to Excise Duty.

A revised final proof of debt was received from HMRC on 1 August 2016 for £531,189.94. This comprises £313,992.93 for VAT, £99,599.94 for Corporation Tax, £108,873.00 for Excise Duty, £4,498.40 for penalties, and 4,225.67 in respect of interest.

The substantial difference arose as a result of a number of enquiries that have been raised by HMRC into the Company's affairs and trading activities.

6.4 Other Unsecured Creditors

A schedule detailing the claims of unsecured creditors is attached at Appendix III.

7. DIVIDEND PROSPECTS

At present we are unable to advise whether there will be a dividend to unsecured creditors as this will depend on the total assets realised in relation to our claim against the directors.

8. PRE-APPOINTMENT REMUNERATION

The payment of a fee of £6,000 plus VAT for assistance with preparing the statement of affairs, producing and circulating the notices for the meetings of members and creditors prior to our appointment was paid by the director of the Company and was ratified by creditors at a meeting held on 21 May 2015.

9. JOINT LIQUIDATORS' REMUNERATION

The basis of our remuneration for acting as Joint Liquidators was agreed on 21 May 2015 at a meeting of creditors. The creditors agreed that we be remunerated on the basis of time properly spent by us and our staff in attending to the matters on the case.

Our time costs in attending to matters arising in the Liquidation for the period 21 May 2016 to 20 May 2017, being the period under review, amounts to £2,553 made up of 14.95 hours, giving an average charge out rate of £170.77 per hour across all grades of staff.

Our time costs in relation to the entire period of the Liquidation to date, being from 21 May 2015 to 20 May 2017 amount to £32,560 made up of 186.35 hours, giving an average charge out rate of £174.22.

We can confirm that we have not drawn any fees during the period covered by this report.

A breakdown of the time costs between the grades of staff allocated to the administration and investigation of this matter, together with the appropriate charge out rate, is provided at Appendix II.

We have also attached a schedule of our firm's time costs incurred to date in Appendix II, together with the fee policy of the firm. Statement of Insolvency Practice No9 – "A Guide to Liquidators' fees" can be downloaded from the following link or requested from this office:

<http://www.icaew.com/en/technical/insolvency/creditors-guides>

A description of the routine work undertaken in the Liquidation to date is as follows:

1. Administration and Planning

- Preparing documentation required.
- Dealing with all routine correspondence.
- Maintaining physical case files and electronic case details on IPS.
- Review and storage.
- Case bordereau.
- Case planning and administration.

2. Cashiering

- Maintaining and managing the Liquidators' cashbook and bank account.
- Ensuring statutory lodgements and tax lodgement obligations are met.

3. Creditors

- Dealing with creditor correspondence and telephone conversations.
- Preparing reports to creditors.
- Maintaining creditor information on IPS.
- Reviewing proofs of debt received from creditors.

4. Investigations

- Conducting investigations into the Company's financial affairs and the conduct of the directors.
- Review of books and records to identify any transactions or actions a liquidator may take in order to recover funds for the benefit of creditors.
- Obtaining and reviewing files from the Company's accountant.
- Liaising with HMRC in relation to enquiries raised.
- Instructing and liaising with solicitors.

5. Realisation of Assets

- Liaising with solicitors in relation to claim against directors.
- Corresponding with the relevant parties in order to gauge the likelihood of recoveries and investigate other areas of potential recovery.

6. Statutory Duties

- Preparing the documentation and dealing with the formalities of appointment.
- Statutory notifications and advertising.
- Preparing reports to members and creditors.

9.1 Disbursements

With regard to disbursements, specific expenditure relating to the administration of the insolvent estate, and payable to an independent third party, are recoverable without creditor approval and are known as Category 1 disbursements. Such expenditure is made if funds are available from the insolvent estate.

If funds are not available, then payment is made from this firm's office account and reimbursed from the estate should funds become available.

Disbursements	Incurred (£)	Paid (£)	Unpaid (£)
Bordereau	234.00	0.00	234.00
Company Searches	6.00	0.00	6.00
Statutory Advertising	213.00	0.00	213.00
Miscellaneous	5.70	0.00	5.70
Meeting Room Hire	25.00	0.00	25.00
Total	483.70	0.00	483.70

Expenditure incidental to the administration of the insolvent estate which by its nature includes an element of shared or allocated costs is recoverable with creditor approval. Payments in respect of the above are defined as Category 2 disbursements. It is not a policy of this office to charge any Category 2 disbursements.

The following agents or professional advisors have been utilised in this matter:

Professional Advisor	Nature of Work	Fee Basis	Fee Incurred to date (£)	Fee Paid (£)	Balance Outstanding (£)
Clark Mairs	Legal advice in relation to claim against directors, issuing proceedings and obtaining charging order	Time costs	18,955.00	0.00	18,955.00
Cerberus Asset Management	Valuation of Assets	Fixed Fee	400.00	400.00	0.00
Total			19,355.00	400.00	18,955.00

Professional advisers were selected on the basis that they have the appropriate experience and qualification to effectively deal with the issues arising in a case of this nature.

Please note that Cerberus Asset Management were paid by PCR, and as such will comprise part of PCR's disbursements, which will be settled should there be sufficient asset realisations.

10. INVESTIGATION MATTERS

We 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.

As detailed above, we are pursuing a claim against the director and this is still ongoing.

Within six months of our appointment, we were required to submit a confidential report to the Secretary of State to include any matters which have come to our attention during the course of our work which may indicate that the conduct of any past or present director would make them unfit to be concerned with the promotion, formation or management of a company. We can confirm that we have complied with our statutory obligation in this regard

11. FURTHER INFORMATION

In accordance with Rule 18.9 of the Insolvency Rules 2016 and within twenty-one days of 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 their remuneration or expenses, which have been itemised in this report.

In accordance with Rule 18.34 of the Insolvency Rules 2016 any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within eight weeks of receipt of this 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 report are excessive.

At PCR we always strive to provide a professional and efficient service, however we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. If you should have cause to complain about the way that we are acting, you should, in the first instance, put details of your complaint in writing to our complaints officer Samuel Talby of PCR, St Martin's House, The Runway, South Ruislip, Middlesex, HA4 6SE. This will formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA; or you may email ip.complaints@insolvency.gsi.gov.uk; or you may phone 0300 678 0015 - calls are charged at between 1p and 10.5p per minute from a land line, for mobiles, between 12p and 41p per minute if you're calling from the UK.

12. CONCLUSION

We are continuing to liaise with our solicitors in relation to the claim against the directors, and as detailed above, if necessary we will be commencing legal proceedings to realise the director's property.

Our next report will be issued to creditors within 2 months of the next anniversary of the case, or sooner if circumstances require.

Should you have any queries, please do not hesitate to contact my colleague Keith Hewison at our Newcastle Office.



Julie Swan
Joint Liquidator

Value Booze Cash and Carry Limited
(In Liquidation)

Joint Liquidators' Summary of Receipts and Payments

	Statement of affairs £	From 21/05/2016 To 20/05/2017 £	From 21/05/2015 To 20/05/2017 £
RECEIPTS			
Motor Vehicle	30,000.00	0 00	0 00
Furniture & Equipment	1,500.00	0 00	0.00
Stock	Uncertain	0 00	0.00
Debtors	49,632.00	0 00	0.00
Goodwill	NIL	0 00	0.00
Loan from Directors towards costs		0 00	7,200.00
		<u>0 00</u>	<u>7,200.00</u>
PAYMENTS			
BMW Financial Services	(35,698.76)	0 00	0.00
Preparation of S of A		0.00	6,000.00
Trade & Expense Creditors	(59,460.02)	0 00	0.00
Bank	(24,459.71)	0 00	0.00
HM Revenue and Customs	(105,582.00)	0 00	0.00
Ordinary Shareholders	(1,300.00)	0 00	0.00
VAT Receivable		0.00	1,200.00
		<u>0 00</u>	<u>7,200.00</u>
BALANCE - 20 May 2017		<u>0.00</u>	<u>0.00</u>
MADE UP AS FOLLOWS			
		<u>0.00</u>	<u>0.00</u>

Time Entry - SIP9 Time & Cost Summary + Cumulative

N0VAL01 - Value Booze Cash and Carry Limited
All Post Appointment Project Codes
From 21/05/2016 To 20/05/2017

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)	Total Hours Cum (POST Only)	Total Time Costs Cum (POST Only)
Administration & planning	0.20	0.00	5.65	0.00	5.85	917.50	156.84	23.65	3,941.00
Case specific matters	0.00	0.00	0.20	0.00	0.20	30.00	150.00	0.20	30.00
Cashier/Tax Returns	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.90	770.00
Creditors	0.00	0.10	1.10	0.00	1.20	205.00	170.83	2.80	461.00
Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Information & Communications Technology	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	5.10	0.00	5.10	1,047.00	171.64	135.10	24,094.50
Litigation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.40	384.00
Pension Schemes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Oct 1998 Time	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisations of assets	0.30	0.00	0.90	0.00	1.20	277.50	231.25	8.20	1,396.50
Statutory Duties	0.00	0.00	0.40	0.00	0.40	76.00	190.00	9.10	1,483.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours / Costs	0.50	0.10	14.35	0.00	14.95	2,563.00	170.77	186.35	32,560.00
Total Fees Claimed						0.00			
Total Disbursements Claimed						0.00			



REMUNERATION POLICY

Charge Out Rates Applicable to this Assignment

The table below sets out charge out rates by grade of staff. Charge out rates are reviewed periodically and where an assignment covers more than one period the rates for each period relevant to that assignment are provided below.

	<i>01.04.2012 to 31.03.2015</i>	<i>01.04.2015 to 30.04.16</i>	<i>01.05.2016 Onwards</i>
Grade of Staff	£ Per Hour	£ Per Hour	£ Per Hour
Partners / Office Holders	275	285	295
Director	250	265	280
Manager	175	200-260	240-270
Administrator	100-150	120-160	115-190
Cashier & Support	85	80-125	100-110
Average	182	205	218

Time is charged in 6 minute units and recorded using an electronic time recording system.

Work is undertaken by the grade of staff most appropriate to the assignment or the task being dealt with.

Office Holder's fees may generally only be recovered with creditor approval. Creditors Guides to the calculation of Office Holder's fees, as provided by Statement of Insolvency Practice 9 (SIP9) published by R3, The Association of Business Recovery Professionals, are available at the link <http://www.icaew.com/en/technical/insolvency/creditors-guides> and paper copies are available on request.

DISBURSEMENTS POLICY

Category 1 Disbursements

Items of specific expenditure relating to the administration of the insolvent estate and payable to an independent third party (i.e. direct costs) are defined as "Category 1 disbursements". These are recoverable without creditor approval. Such items would include legal fees, agents' charges, bank charges and insurances. Such expenditure is made directly from the insolvent estate where funds are available. If funds are not available, then payment is made from this firm's office account and reimbursed from the estate when funds are available. All Category 1 disbursements are charged at the actual cost incurred, with no mark up or handling charge applied.

Category 2 Disbursements

Expenditure incidental to the administration of the insolvent estate which by its nature includes an element of shared or allocated costs is recoverable only with creditor approval. Payments in respect of these costs are defined as Category 2 disbursements. This office has a policy of not charging for any Category 2 disbursements and no other charges are made for any items bearing an element of shared or allocated cost.

PCR (Newcastle) Limited
Value Booze Cash and Carry Limited
Creditor Claims Summary Report

Key	Name	Rep. By	S of A £	Claim £	Agreed Claim £
CA00	Ace Drinks Limited		14,577.42	0.00	0.00
CA01	Adept Telecom		0.00	47.99	0.00
CA02	Ageas Insurance Limited		0.00	8.01	0.00
CB00	Barclays Bank		24,459.71	5,221.25	0.00
CB01	BMW Financial Services (GB) Limited		0.00	22,658.89	0.00
CG01	Gateshead Council		0.00	372.44	0.00
CH00	HM Revenue and Customs		0.00	0.00	0.00
CH01	HM Revenue and Customs		105,582.00	531,189.94	0.00
CJ01	JW Wines		0.00	5,475.00	0.00
CK00	K K and Co Solicitors		500.00	420.00	0.00
CK01	K P Simpson		500.00	0.00	0.00
CM00	Meadowhall Wholesale Limited		43,882.60	0.00	0.00
CN01	NPower		0.00	346.58	0.00
13 Entries Totalling			189,501.73	565,740.10	0.00