

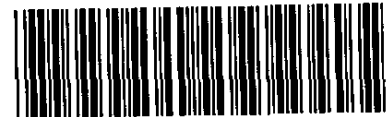
AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

SATURDAY



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12/10/2019

#39

COMPANIES HOUSE

1 Company details

Company number 02129292

Company name in full CREPE CUISINE LIMITED

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Court details

Court name TRURO COUNTY COURT

Court case number 2 OF 2019

3 Administrator's name

Full forename(s) LISA

Surname ALFORD

4 Administrator's address

Building name/number 5A

Street KERNICK INDUSTRIAL ESTATE

Post town PENRYN

County/Region CORNWALL

Postcode TR10 9EP

Country UK

AM22

Notice of move from administration to creditors' voluntary liquidation

5 Administrator's name ①

Full forename(s) CHRIS

Surname PARKMAN

① Other administrator

Use this section to tell us about another administrator.

6 Administrator's address ②

Building name/number 5A

Street KERNICK INDUSTRIAL ESTATE

Post town PENRYN

County/Region CORNWALL

Postcode T R 1 0 9 E P

Country UK

② Other administrator

Use this section to tell us about another administrator.

7 Appointor/applicant's name

Give the name of the person who made the appointment or the administration application.

Full forename(s) RONALD

Surname INGLIS

8 Proposed liquidator's name

Full forename(s) LISA

Surname ALFORD

Insolvency practitioner number 9 7 2 3

9 Proposed liquidator's address

Building name/number 5A

Street KERNICK INDUSTRIAL ESTATE

Post town PENRYN

County/Region CORNWALL

Postcode T R 1 0 9 E P

Country UK

AM22

Notice of move from administration to creditors' voluntary liquidation

10	Proposed liquidator's name ^①		① Other liquidator Use this section to tell us about another liquidator.
Full forename(s)		CHRIS	
Surname		PARKMAN	
Insolvency practitioner number		9 5 8 8	
11	Proposed liquidator's address ^②		② Other liquidator Use this section to tell us about another liquidator.
Building name/number		5A	
Street		KERNICK INDUSTRIAL ESTATE	
Post town		PENRYN	
County/Region		CORNWALL	
Postcode		T R 1 0 9 E P	
Country		UK	
12	Period of progress report		
From date		<div style="display: flex; gap: 5px;"> <div>d 1 2</div> <div>m 0 2</div> <div>y 2 0 y 1 y 9</div> </div>	
To date		<div style="display: flex; gap: 5px;"> <div>d 0 9</div> <div>m 1 0</div> <div>y 2 0 y 1 y 9</div> </div>	
13	Final progress report		
		<input checked="" type="checkbox"/> I have attached a copy of the final progress report.	
14	Sign and date		
Administrator's signature		Signature <div style="display: flex; align-items: center; gap: 20px;"> X X </div>	
Signature date		<div style="display: flex; gap: 5px;"> <div>d 0 9</div> <div>m 1 0</div> <div>y 2 0 y 1 y 9</div> </div>	

**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 **KERRY LYCETT**

Company name **PURNELLS**

Address

Post town

County/Region

Postcode

Country

DX

Telephone **01326 340579**

**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 and dated 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

Crepe Cuisine Limited
In Administration (the "Company")

Company No: 02129292

In the Truro County Court
Court Reference: 2 of 2019

Joint Administrators' Final Progress Report

Pursuant To Rules 3.60 and 18.6 Insolvency (England and Wales) Rules
2016

Crepe Cuisine Limited
In Administration (the "Company")

Joint Administrators' Final Progress Report for the Period
12 February 2019 to 09 October 2019

1. Incorporation

1.1 The Company was incorporated as Pan Fast Foods Limited on 8 May 1987. The Company's name was subsequently changed to Crepe Cuisine Limited on 8 April 1997.

1.2 The Company registered number is 02129292.

2. Trading Address

2.1 The Company traded from premises at:

Long Rock
Penzance
Cornwall
TR20 8HX

3. Registered Office

3.1 The registered office of the Company was formerly based at:

Unit 10
Long Rock
Penzance
Cornwall
TR20 8HX

But for the purpose of the Administration has been changed to:

3.2 Purnells
Suite 4 Portfolio House
3 Princes Street
Dorchester
Dorset
DT1 1TP

4. Joint Administrators' Appointment

4.1 A Notice of Intention to Appointment ("NOI") an Administrator by Directors was first filed in the Truro County Court on 08 January 2019 under court reference 2 of 2019.

4.2 John Pye, a National Firm of Auctioneers and Valuers, who have considerable experience in marketing businesses in insolvent situations, were engaged to undertake a marketing campaign.

- 4.3 In order to allow further time, so as to ensure that the business was properly marketed, a second NOI was filed in the Truro County Court on 21 January 2019; this was to allow for a further two weeks in which to find a buyer.
- 4.4 During that time the Management Team, including Mr Ronald Inglis, put together a bid to purchase the business. That bid involved seeking finance for the new entity, both to purchase the assets of the Company, and also to provide working capital for the new company ("NewCo").
- 4.5 As the two week moratorium in respect of the second NOI drew to a close it was clear that there was no third party interest and a sale back to the Management Team seemed increasingly likely.
- 4.6 The finance provider for the proposed purchaser, Ultimate Finance Group Limited, wished to settle the amounts owed to Natwest and RBS and take over the factoring facility so that there would be continuity between the factoring of the Company and the purchaser, as the suppliers would be the same.
- 4.7 Further time was needed to complete those arrangements, draft and agree a sales contract; accordingly a third NOI was filed in the Truro County Court on 4 February 2019.
- 4.8 With the consent of the Qualifying Floating Charge Holders, the Company was then placed into Administration.
- 4.9 Notice of the Joint Administrators' appointment was filed with the Truro County Court on 12 February 2019 and the sale to NewCo completed later that same day.

5. Joint Administrators

- 5.1 The Joint Administrators are:

Lisa Alford and Chris Parkman
Purnells
5a Kernick Industrial Estate
Penryn
Cornwall
TR10 9EP

6. Progress of the Administration

6.1 Trading

The assets of the Company were sold under a pre-packaged sales agreement to Crepe Cuisine Cornwall Ltd (Company Number: 11738387) whose registered office is situated at Unit 10 Pinou Lane, Long Rock Industrial Estate, Penzance, TR20 8HX. Consequently, the Company was not traded in this Administration.

6.2 Trade Debtors

The director's statement of affairs recorded an estimated surplus in respect of the Company's factoring facility with Ultimate Finance Limited in the sum of £93,750, as follows:

	<u>£</u>
Trade Debtors	360,119
<u>Less: Ultimate Finance Limited</u>	(266,369)

<u>Estimated Surplus</u>	93,750
	=====

In that connection, the Company's working capital had historically been provided by NatWest Bank Plc by way of a secured overdraft and RBS Invoice Finance Limited who had been providing the Company's factoring facility.

As reported previously, the assets of the Company were sold to Crepe Cuisine (Cornwall) Limited under a pre-packaged sales agreement for £303,123 and the relevant funding in that regard was provided by Ultimate Finance Group Limited.

Ultimate Finance Group Limited, wished to settle the amounts owed to Natwest and RBS and take over the Company's factoring facility so that there would be continuity between the factoring of the Company and the purchaser, as the suppliers would be the same.

The arrangements in that regard were completed prior to Administration and the charges in favour of both NatWest Bank Plc and RBS Invoice Finance Limited were both marked as satisfied at Companies House.

As a result, the sum of £75,744 was expected to be realised in the Administration in respect of the outstanding debtors' ledger as at 12 February 2019, as follows:

	<u>£</u>
Trade Debtors	360,119
<u>Less: Collection Charge @ 5% of £360,119</u>	(18,006)

	342,113
<u>Less: Ultimate Finance Group Ltd</u>	(266,369)

<u>Per Comparison Statement</u>	75,744
	=====

In that regard, a credit balance of £11,057 was being held by Ultimate Finance Ltd which has now been transferred to the Administration bank account.

Residual trade debts in the sum of £41,499.37 were passed to the Administration for collection and the sum of £39,891 has been realised in that regard. It follows that the sum of £50,948 has been recorded as having been

realised in the Receipts and Payments Account at Appendix 1 in respect of trade debtors (£11,057 + £39,891 = £40,948).

6.3 Office Furniture, Equipment and Vehicles

The Administrators sold the assets of the Company under a pre-packaged sales agreement for £303,123, as follows:

	<u>£</u>
<u>Assets Subject to Floating Charge</u>	
Office Furniture, Equipment & Vehicles	239,995
Stock	38,123
Goodwill	25,000
Customer Database	1
Customer Contracts & WIP (Subject to Burden)	1
The Premises	1
The Commercial Records	1
The Intellectual Property Rights	1

<u>Sales Price</u>	303,123
	=====

The Company's office furniture, equipment and vehicles were sold to Crepe Cuisine Cornwall Ltd under a pre-packaged sales agreement for £239,995.

A lump sum of £100,000 was paid on completion of the pre-packaged sale and the sum of £36,872 was then assigned to the sale of the office furniture, equipment and vehicle.

The balance of funds due to the administration in the sum of £203,123 is being paid by way of monthly instalments of £5,300, which commenced on 13 March 2019 and the administrators can confirm that Crepe Cuisine Cornwall Ltd is current in its repayments in that regard. The balance of payments due will now be collected once through the Creditors Voluntary Liquidation.

The sum of £73,972 had been realised as at the date of this report, as follows, which is recorded separately in the receipts and payments account at Appendix 1:

	<u>£</u>
Assigned to Office Furniture, Equipment & Vehicles On Completion	36,872
Monthly Instalments of £5,300	37,100

<u>Per Receipts and Payments Account</u>	73,972
	=====

6.4 Stock

As indicated at paragraph 6.3 above the Administrators sold the Company's stock to Crepe Cuisine Cornwall Ltd under a pre-packaged sales agreement for £38,123.

That sum has been realised in full and is recorded separately in the receipts and payments account at Appendix 1.

6.5 Goodwill

As indicated at paragraph 6.3 above the Administrators sold the Company's goodwill to Crepe Cuisine Cornwall Ltd under a pre-packaged sales agreement for £25,000.

That sum has been realised in full and is recorded separately in the receipts and payments account at Appendix 1.

6.6 Customer Database

As indicated at paragraph 6.3 above the Administrators sold the Company's customer database to Crepe Cuisine Cornwall Ltd under a pre-packaged sales agreement for the nominal sum of £1.

That sum is recorded separately in the receipts and payments account at Appendix 1.

6.7 Customer Contracts and Work In Progress

As indicated at paragraph 6.3 above the Administrators sold the Company's customer contracts and work in progress to Crepe Cuisine Cornwall Ltd under a pre-packaged sales agreement for the nominal sum of £1.

That sum is recorded separately in the receipts and payments account at Appendix 1.

6.8 The Premises

As indicated at paragraph 6.3 above the Administrators sold the Company's interest in its trading premises to Crepe Cuisine Cornwall Ltd under a pre-packaged sales agreement for the nominal sum of £1.

That sum is recorded separately in the receipts and payments account at Appendix 1.

6.9 The Commercial Records

As indicated at paragraph 6.3 above the Administrators sold the Company's commercial records to Crepe Cuisine Cornwall Ltd under a pre-packaged sales agreement for the nominal sum of £1.

That sum is recorded separately in the receipts and payments account at Appendix 1.

6.10 VAT Refund

The Company's VAT return for the quarter ended 31 January 2019 recorded a refund due of £26,179.

No sums were expected to be realised in that regard however as the Company had an outstanding PAYE bill in the sum of £74,874; as such the refund due was expected to be subject to crown set-off.

Following the Joint Administrators appointment, the VAT return for the quarter ended 31 January 2019 was filed with H M Revenue & Customs and a cheque to account for the refund due, which in the end was in the higher sum of £31,561 was requested.

A cheque in that sum was received to the Administration on 16 July 2019 and is recorded separately in the receipts and payments account at Appendix 1.

6.11 Directors Loan Account

The director's statement of affairs indicated that the sum of £3,565 would be realisable in respect of the overdrawn balance on Mr Ronald Inglis' loan account with the Company.

That sum has been realised in full and is recorded separately in the receipts and payments account at Appendix 1.

6.12 Potential Litigation Claim

The director's statement of affairs indicated that the Company had a potential litigation claim against its energy broker which if successfully pursued could realise between £100,000 and £180,000 for the benefit of the Administration.

The Joint Administrators have instructed solicitors to advise on the merits of this claim and are awaiting their advice in that regard.

It follows that no sums have been realised in respect of this claim to date. This matter will be followed up once the Company is placed into Creditors Voluntary Liquidation, shortly.

6.13 Investigation

The Joint Administrators have completed their statutory obligation to submit a report to the Insolvency Service as regards the conduct of the directors. The contents of that report remains confidential.

The Administrators have also undertaken work in accordance with Statement of Insolvency Practice 2 (A Liquidators' Investigations into the Affairs of an Insolvent Company).

Those investigations have yet to be satisfactorily concluded as a number of matters have been identified that require further explanation and investigation.

A letter of enquiry has been sent to the directors in that regard and creditors will be advised further once the investigations have been finalised and it has been determined whether or not any pursuable claims have been identified.

7. **Preferential Creditors**

All of the employees contracts of employment were transferred to Crepe Cuisine Cornwall Ltd under the Transfer of Undertakings (Protection of Employment) Regulations ("TUPE").

The only preferential claims to consider in this administration therefore relate to the employees' outstanding pension contributions.

In that regard and following the administrators' appointment claims were submitted to the Redundancy Payments Office ("RPO") on behalf of the employees. As at the date to which this report has been prepared, the RPO had yet to lodge a preferential claim to the administration in that regard.

8. **Secured Creditors**

As at the date of administration, Ultimate Finance Ltd ("Ultimate") held a fixed and floating charge over the assets of the Company that was created on 30 January 2019 and registered at Companies House on 31 January 2019.

As at 12 February 2019, being the date of administration, the sum of £266,369 was owing to Ultimate as against an outstanding debtors' ledger over which they held a fixed charge of £360,119.

In that connection and as indicated earlier in this report, a credit balance of £11,057 was being held by Ultimate which since the date to which this report has been prepared has been transferred to the Administration bank account.

As Ultimate has been repaid in full under their fixed charge over the Company's trade debts, it follows that they have no residual claim in the administration under their floating charge.

9. **Unsecured Creditors**

Thirty six creditors with claims totaling £789,659 have proved in the administration to date.

A dividend is expected to become payable to the unsecured creditors in this matter however the level and likely timescales for the payment of that dividend has yet to be determined.

10. Future Conduct Of The Administration

A summary of the Joint Administrators' Receipts and Payments Account from the date of our appointment on 12 February 2019 to 09 October 2019 is attached at Appendix 1.

Several issues have yet to be concluded through the Administration, namely the Joint Administrator's investigations into the financial affairs of the Company, the monthly payments due under the pre-packaged sales agreement and the potential litigation claim. The monthly payments due are to be paid over several years and it is not possible for the Administration to continue for that length of time.

Consequently, the Administration is now being exited by way of a move to Creditors Voluntary Liquidation and form AM22 will be lodged with the Registrar of Companies in that regard, shortly.

11. Joint Administrators' Fees

In accordance with the proposals, which were approved by correspondence on 29 March 2019, the creditors agreed that as no creditors' committee was formed, the Joint Administrator's remuneration should be drawn on the following bases:

- Pre-appointment time costs of £19,375 plus VAT and disbursements may be paid out of asset realisations within the Administration as and when funds so permit.
- A fixed Administration Fee of £7,500 plus VAT may be charged for the first year plus an additional £1,500 plus VAT for each additional year the case remains open (e.g. should it be moved to creditors voluntary liquidation),
- A Realisation Fee be charged which equates to 5% of gross realisations plus VAT,
- A fixed fee may be charged for dealing with creditors of £5,000 plus VAT and
- A fixed fee may be charged for undertaking our statutory investigations and conduct reporting of £5,000 plus VAT.

To date fees of £48,936 have been drawn as follows:

	<u>£</u>
Pre-Appointment Fees	19,359
Fixed Administration Fee	7,500
Fixed Creditors Fee	5,000
Fixed Investigation Fee	5,000
Realisation Fee - Assets	6,855
Realisation Fee - Debtors	2,548
Investigation Scale Rates	2,674

<u>Total Fees Drawn</u>	48,936
	=====

Since the date of their appointment the Joint Administrator's have incurred total time costs of £27,887. This reflects total time incurred of 140.4 hours at an average rate of £198.63 per hour.

Since the date of the last progress report the Joint Administrator's have incurred time costs of £3,126. This reflects total time incurred of 16.3 hours at an average hourly rate of £191.78 per hour.

Creditors Rights

Secured creditors and unsecured creditors with the concurrence of at least 5% in value of the unsecured creditors, including the creditor in question, or an unsecured creditor with the permission of the court have the right under Rule 18.9 of the Insolvency (England & Wales) Rules 2016 to request further information about remuneration or expenses set out in the progress report. The request must be made within 21 days of receipt of the draft report.

Secured creditors and unsecured creditors with the concurrence of at least 10% in value of the unsecured creditors, including that creditor, or with the permission of the court, have the right under Rule 18.34 of the Insolvency (England & Wales) Rules 2016 to challenge the Liquidator's remuneration, no later than 8 weeks following receipt of the draft report.

12. Conclusion

The Administration will now be exited by way of a move to Creditors Voluntary Liquidation so that the Liquidator's can continue to collect the monthly payments from Crepe Cuisine Cornwall Limited, conclude their statutory investigations into the financial affairs of the Company and obtain legal advice as regards the potential litigation claim against the Company's energy broker.



Lisa Alford MABRP, MIPA
Joint Administrator
IP No: 9723

Dated: 09 October 2019

Lisa Alford
Purnells
5a Kernick Industrial Estate
Penryn
Cornwall
TR10 9EP

Email: lisa@purnells.co.uk

Tel: 01326 340579

Website: www.purnells.co.uk

Appendix 1

Crepe Cuisine Limited
In Administration (the "Company")

Receipts And Payments Account For The Period From The Commencement Of
The Administration On 12 February 2019 to 10 October 2019,
The Date on Which the Final Progress Report was Prepared

	<u>Estimated Value</u> <u>Of Assets Per</u> <u>Statement Of</u> <u>Affairs</u>	<u>From</u> <u>12.08.19</u> <u>To</u> <u>09.10.19</u>	<u>From</u> <u>12.02.19</u> <u>To</u> <u>09.10.19</u>
	<u>£</u>	<u>£</u>	<u>£</u>
<u>Receipts</u>			
Trade Debtors	93,750	50,948	50,948
Equity In Financed Vehicles	Nil	Nil	Nil
Office Furniture, Equipment & Vehicles	239,995	10,600	73,972
Stock	38,123	Nil	38,123
Goodwill	25,000	Nil	25,000
Customer Database	1	Nil	1
Customer Contracts / Work In Progress	1	Nil	1
The Premises	1	Nil	1
The Commercial Records	1	Nil	1
The Intellectual Property Rights	1	Nil	1
VAT Refund	Nil	Nil	31,561
Directors Loan Account	3,565	Nil	3,565
Potential Litigation Claim	140,000	Nil	Nil
	-----	-----	-----
	540,438	61,548	223,174
	=====		
<u>Other Receipts</u>			
Bank Interest		Nil	34
Natwest Bank Plc - Post Credit		Nil	196
Sundry Refund		Nil	246
Bluejay Refund		539	539
		-----	-----
		62,087	224,189
		=====	=====
<u>Payments</u>			
Administrator's Pre-Appointment Fees		19,359	19,359
Administrator's Fees		29,577	29,577
Category 1 Disbursements		Nil	14,025
Category 2 Disbursements		Nil	Nil
VAT Reclaimable		7,328	9,787
		-----	-----
		56,264	72,748
Balance at Bank		5,823	151,441
		-----	-----
<u>Total Payments</u>		62,087	224,189
		=====	=====

Crepe Cuisine Limited
In Administration (the "Company")

Joint Administrators' Statement of Expenses
Incurred for the Period 12 February 2019 to 09 October 2019
(In Accordance with the Insolvency (England & Wales) Rules 2016)

The expenses incurred within the Administration (recorded in the Receipts and Payments Account at Appendix 1 above as "Category 1 Disbursements") for the period 12 February 2019 to 09 October 2019 were as follows:

	<u>£</u>
<u>Pre-Appointment Disbursements:</u>	
Legal Fees	11,015
Court Fees	565
Travel Expenses	32
John Pye - Paid Facebook Posts	360
John Pye - Paid LinkedIn Posts	360
John Pye - Marketing Fees	500

	12,832
<u>Post-Appointment Disbursements:</u>	
Bordereau	1,030
Advertising Costs	75
Travel Expenses	21
Postage	17
Bank Charge	50

<u>Per Receipts and Payments Account</u>	14,025
	=====

Notes:

The legal fees were paid to Isadore Goldman Limited.

	PARTNER	MANAGER	SENIORS	ADMINISTRATION STAFF	TIME TRANSFER	TOTAL HOURS	TIME COST	AVERAGE HOURLY RATE
ADMINISTRATION AND PLANNING		0.3	3.2	2.7		6.2	1447	233.39
REALISATION OF ASSETS		0.4	0.4	3		3.8	696	183.16
CREDITORS			0.1	5.9		6	896	149.33
INVESTIGATION		0.3				0.3	87	290
TOTALS								
HOURS	1		3.7	11.6		16.3		
COST	290		1073	1763			3126	
AVERAGE HOURLY RATE	290		290	151.98				191.78