

AM03

Notice of administrator's proposals



Companies House

FRIDAY



A19 *A82RKRXE* #149
05/04/2019
COMPANIES HOUSE

1 Company details

Company number 0 9 3 8 2 6 1 0

Company name in full Eat Square Limited

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

2 Administrator's name

Full forename(s) Andrew

Surname Beckingham

3 Administrator's address

Building name/number Leonard Curtis

Street 2nd Floor

40 Queen Square

Post town Bristol

County/Region

Postcode B S 1 4 Q P

Country

4 Administrator's name ①

Full forename(s) Siann

Surname Huntley

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Leonard Curtis

Street 2nd Floor

40 Queen Square

Post town Bristol

County/Region

Postcode B S 1 4 Q P

Country

② Other administrator
Use this section to tell us about
another administrator.

AM03

Notice of Administrator's Proposals

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Statement of proposals



I attach a copy of the statement of proposals

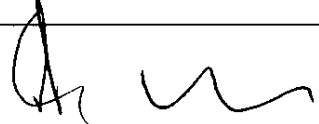
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Sign and date

Administrator's
Signature

Signature

X



X

Signature date

^d
0^d4

^m
0^m4

^y
2^y0^y1^y9

AM03 Notice of Administrator's Proposals



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	Taylor Stevens
Company name	Leonard Curtis
Address	2nd Floor
	40 Queen Square
	Bristol
Post town	
County/Region	
Postcode	B S 1 4 Q P
Country	
DX	
Telephone	0117 929 4900



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



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**EAT SQUARE LIMITED
(IN ADMINISTRATION)**

Registered Number: 09382610
Court Ref: 32 of 2019
Bristol County Court

**Joint Administrators' Report and Statement of Proposals in accordance
with Para 49 of Schedule B1 to the Insolvency Act 1986 and Rule 3.35 of
the Insolvency (England and Wales) Rules 2016**

**Report date: 4 April 2019
Date report deemed to be delivered to creditors: 8 April 2019**

Leonard Curtis contact details:

**2nd Floor, 40 Queen Square,
Bristol, BS1 4QP
Tel: 0117 929 4900 Fax: 0117 927 0000
General email: recovery@leonardcurtis.co.uk
Email for requests for a physical meeting: Bristol.meetingreq@leonardcurtis.co.uk
Ref: S/41/TST/E805B/1040**

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**TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS
ALL EMPLOYEES
ALL MEMBERS**

1 INTRODUCTION

General information

- 1.1 I refer to the appointment of Siann Huntley and I as Joint Administrators ("the Joint Administrators") of Eat Square Limited ("the Company") on 28 February 2019 and now write to present the Joint Administrators' proposals ("the Proposals") (Appendix A) for the Company pursuant to the Insolvency Act 1986 ("the Act").
- 1.2 Para 3 of Schedule B1 to the Act requires the administrators to perform their functions with the objective of:
- a) Rescuing the company as a going concern; or
 - b) Achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration); or
 - c) Realising property in order to make a distribution to one or more secured or preferential creditors.
- 1.3 Para 51(1) of Schedule B1 to the Act ordinarily requires the administrators to seek a decision from the Company's creditors as to whether they approve the Proposals. However, this does not apply where the administrators state that they think:
- a) That the company has sufficient property to enable each creditor of the company to be paid in full; or
 - b) That the company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of a distribution of the prescribed part fund; or
 - c) That neither of the objectives specified in 1.2(a) and 1.2(b) above can be achieved.
- 1.4 I can confirm that in this case the administrators are of the opinion that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of any distribution of a prescribed part fund. As a result, there is no requirement to seek a decision from the Company's general body of creditors as to whether they approve the Proposals.
- 1.5 Creditors whose debts amount to at least 10% of the total debts of the Company may however request the administrators to seek a decision from the Company's creditors as to whether they approve the Proposals. Such a request must be delivered to the administrators within 8 business days of the date on which this report was delivered and comprise the following:
- A statement of the purpose of the proposed decision; and EITHER
 - A statement of the requesting creditor's claim, together with:
 - A list of the creditors concurring with the request and the amount of their respective claims or values; and
 - Confirmation of concurrence from each creditor concurring. OR
 - A statement of the requesting creditor's debt and that that alone is sufficient without the concurrence of other creditors.

The deemed date of delivery of this report is given on the front page of this report. Please note that security must be given for the costs of convening the requisitioned decision.

- 1.6 In the event that no such request is received, the Proposals will be deemed to have been approved in accordance with Rule 3.38(4) of the Insolvency (England and Wales) Rules 2016 ("the Rules"). Where this is the case, notification of the date on which the Proposals were deemed to have been approved will be given to creditors as soon as reasonably practicable after the expiry of the period for requisitioning a decision referred to in 1.5 above.

2 STATUTORY INFORMATION

- 2.1 The Administration proceedings are under the jurisdiction of the Bristol County Court under Court reference 32 of 2019.
- 2.2 During the period in which the Administration Order is in force, any act or function required or authorised to be done by the Joint Administrators may be exercised by both or either of them.
- 2.3 The Company's registered office was changed from 68B Upper South Wraxall, Bradford-on-Avon, BA15 2SA, to 2nd Floor, 40 Queen Square, Bristol, BS1 4QP on 14 March 2019. The registered number is 09382610. The Company traded as its registered name.
- 2.4 The Company operated from leasehold premises at Unit 4 Woolley Grange Farm, Woolley Green, Bradford-on-Avon, BA15 1TY.
- 2.5 The Company's sole director is:

Name	Role	Date Appointed
Mr Alex Joll	Director	28 January 2015

- 2.6 The Company's authorised share capital is 38,774. The issued share capital comprises ordinary shares being owned as follows:

Name	Class of Share	No. of Shares	% of Total Owned
Mr Alex Joll	Ordinary	33,334	86%
Seedrs Nominees Limited	Ordinary	5,440	14%
		38,774	100%

- 2.7 The above share capital information has been extracted from the Company records and we have been advised by the Director that this is the true position. It should be noted that the records at Companies House do not reflect the above position.
- 2.8 According to the information registered at Companies House, the Company has no registered charges.
- 2.9 The EC Regulation on Insolvency Proceedings 2015 applies to this Administration. The proceedings are main proceedings as defined by Article 3 of the Regulation. The Company is based in the United Kingdom.

3 HISTORICAL BACKGROUND AND EVENTS LEADING UP TO ADMINISTRATION

- 3.1 The Company was incorporated by its Director on 12 January 2015 and commenced trading from leasehold premises at Unit 4 Woolley Grange Farm, Woolley Green, Bradford-on-Avon, BA15 1TY.
- 3.2 The principal trading activity of the Company was manufacturing of food based products and in particular pies. The Company operated a franchise scheme whereby an individual would purchase the rights to sell Eat Square pies and the Company would wholesale pies to the franchise retailers. Additionally income would be sought from events catering and online sales.
- 3.3 The Company employed three staff during the course of trading, two permanent staff to deal with marketing and finance related matters and one contracted chef to manufacture the pies for resale.
- 3.4 The Director, Mr Alex Joll initially invested funds of £14,000 towards start-up costs and for the purchase of machinery and equipment to enable the launch of the business. Additional funding of £20,000 was sought from Best Park Home Finance who later in 2016 converted their investment into a loan to the Company over a period of 60 months.

- 3.5 Each of the year end accounts since incorporation show that the Company made small losses due to low sales. Additional shareholder investment was sought in 2017 from an investment group, Seedr Nominees Limited, who on behalf of individual investors provided funding of £50,000 towards supplementing the cash flows and to assist with further marketing of franchise sales.
- 3.6 During 2018 the Company had difficulties in converting the high number of leads for franchise sales into income for the business and wholesale income was weakening. Compounded by the increased spend on marketing the business the Company found itself at a cash deficit towards the end of 2018. This led to increasing pressure from creditors for repayment of debts.
- 3.7 During the start of 2019 the Company revisited the shareholder investment group to seek additional funding to assist them with meeting ongoing and past obligations. Unfortunately attempts to secure additional funding were unsuccessful and as a result the Director contacted Leonard Curtis to review his options.
- 3.8 On 28 February 2019 the Director appointed Andrew Beckingham and Siann Huntley of Leonard Curtis as Administrators of the Company.

4 RECENT TRADING RESULTS AND CURRENT FINANCIAL POSITION

- 4.1 Below you will find the Company's trading results for the year ended 31 January 2018, 31 January 2017 and 31 January 2016 as extracted from the unaudited financial statements:

	Signed Year ended 31.01.18 £	Signed Year ended 31.01.17 £	Signed Year ended 31.01.16 £
Turnover	40,373	43,884	31,684
Gross Profit	7,934	35,021	9,602
Gross Profit %	20%	80%	30%
Administrative expenses	11,566	39,497	14,903
Profit/(Loss) for the year	(3,632)	(4,476)	(5,301)

- 4.2 Balance sheets are available for the same periods as above and extracts are provided below:

	Signed As at 31.01.18 £	Signed As at 31.01.17 £	Signed As at 31.01.16 £
Fixed Assets	10,388	14,446	5,446
Current Assets	29,232	(6,790)	119
Creditors: Amounts Falling due within one year	(42,678)	(15,248)	(21,754)
Net Current Assets/(Liabilities)	(13,446)	(22,038)	(21,635)
Total Assets less Current Liabilities	(3,058)	(7,592)	(16,189)
Creditors: Amounts falling due after more than year	-	(2,000)	-
Net Assets	(3,058)	(9,592)	(16,189)
Represented by			
Capitals and reserves	(3,058)	(9,592)	(16,189)

- 4.3 The Administrators have undertaken a preliminary review of the Company Sage accounting records. Extracted figures suggest income of some £150,000 for the year ended 31 January 2019, at a gross margin of some 66%. These extracted performance indicators do not accord with the apparent financial position of the Company and the director reports that sales and cash generation fell away materially at the end of the period. Further investigation will be undertaken by the Joint Administrators.

Statement of Affairs

- 4.4 The directors are required to lodge a statement of affairs as at 28 February 2019 which has to be filed with the Registrar of Companies. This document has not yet been received. In the meantime, an estimate of the financial position as at the date of the Joint Administrators' appointment is enclosed at Appendix B, together with a list of creditors including their names, addresses and details of their debts, including any security held.

Please note that no provision has been made in the Estimated Financial Position for costs and expenses of realisation, the costs of the Administration and any corporation tax which may be payable. The following comments are considered to be relevant and should be borne in mind when reading the figures:

Secured Creditor

- 4.5 There are no secured creditors in this matter.

Prescribed Part

- 4.6 As the Company has no unsatisfied post-Enterprise Act charges, there will be no requirement to set aside a prescribed part in this case.

Preferential Claims

- 4.7 The only categories of claims which have preferential status are those of employees in respect of wages (limited to £800), accrued holiday pay and certain pension contributions. The Company employed one person and it is uncertain whether a dividend will be paid to this class of creditor.

Unsecured Claims

- 4.8 At present, it is considered unlikely that there will be sufficient funds available to enable any form of distribution to unsecured creditors. This statement is being made in accordance with paragraph 52(1)(b) of Schedule B1 to the Act. Creditors should however continue to submit details of their claims using the proof of debt form attached at Appendix H. These claims will be collated and passed to any subsequently appointed Liquidator, should the position change.

Receipts and Payments

- 4.9 A receipts and payments account for the period of Administration to date is enclosed at Appendix C.

5 EVENTS FOLLOWING THE JOINT ADMINISTRATORS' APPOINTMENT

Sale of Assets

- 5.1 Upon appointment, the Joint Administrators' instructed agents, Messrs Gordon Brothers Europe to complete a valuation of the Company's tangible assets. The market in-situ value was £2,500 and the ex-situ value was £1,000.

The Director, Mr Alex Joll submitted an offer of £2,960 plus VAT to the administrators for the tangible and intangible assets of the Company comprising goodwill (including intellectual property rights), catering equipment and stock. The offer has since been accepted based on advice from the administrators instructed agents.

Deferred payment terms were agreed with the Director with three equal monthly instalments concluding on 15 May 2019. To date payments of £1,184 have been received and are held by our agents.

Professional Advisors Used

- 5.2 On this assignment the Joint Administrators have used the professional advisors listed below.

Name of Professional Advisor	Service Provided	Basis of Fees
Gordon Brothers Europe	Asset valuation advice	Fixed Fee

Details of this firm's policy regarding the choice of advisors and the basis for their fees are given in Appendix G.

6 ACHIEVING THE PURPOSE OF ADMINISTRATION

- 6.1 The Joint Administrators must perform their functions with the purpose of achieving one of the following objectives:

- (a) rescuing the Company as a going concern, or (if this cannot be achieved);
- (b) achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), or if (a) and (b) cannot be achieved;
- (c) realising property in order to make a distribution to one or more secured or preferential creditors.

- 6.2 The first objective is not capable of being achieved given the extent of historic liabilities.

- 6.3 The second objective is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were to be wound up (without first being in Administration). This objective is unlikely to be met based on current estimates.

- 6.4 The third objective is to realise property in order to make a distribution to preferential creditors. This objective may be achieved in the event that book debt realisations and the outcome of investigations are favourable.

7 JOINT ADMINISTRATORS' PROPOSALS AND EXIT ROUTE

- 7.1 The Joint Administrators' Proposals for achieving the objective of Administration are attached at Appendix A.

- 7.2 Ordinarily the Joint Administrators would seek a decision from the Company's creditors as to whether they approve the Proposals. However, in this case, as there is little likelihood of a dividend being available for unsecured creditors, there is no requirement to seek such a decision from creditors.

- 7.3 Creditors whose debts amount to at least 10% of the total debts of the Company may however request the administrators to seek a decision from the Company's creditors as to whether they approve the Proposals. Such a request must be delivered to the administrators within 8 business days of the date on which this report was delivered. The deemed date of delivery of this report is given on the front page of this report. Please note that security must be given for the costs of convening the requisitioned decision.

- 7.4 If such a decision is requisitioned, creditors will be invited to consider the appointment of a creditors' committee and to vote on the Joint Administrators' Proposals as set out at Appendix A.

- 7.5 In the event that no such request is received, the Proposals will be deemed to have been approved in accordance with Rule 3.38(4) of the Insolvency (England and Wales) Rules 2016 ("the Rules"). Where this is the case, notification of the date on which the Proposals were deemed to have been approved will be given to creditors as soon as reasonably practicable after the expiry of the period for requisitioning a decision referred to in 1.5 above.

- 7.6 Once approved, the affairs of the Company will be managed in accordance with the Proposals and financed out of asset realisations.

- 7.7 Once the Administration has been finalised, and if there are insufficient funds available to allow a distribution to unsecured creditors, the Joint Administrators will file a Notice with the Registrar of Companies that the Company be dissolved. Alternatively, if there are assets still to be realised or investigations concluded but there will be no return to unsecured creditors, the Company may be placed into Compulsory Liquidation.

8 EXTENSION OF ADMINISTRATION

- 8.1 The appointment of administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.
- 8.2 In certain circumstances it may be necessary to extend the Administrators' term of office. In the circumstances of this case, this may be done for a specified period not exceeding twelve months with the consent of:
- each secured creditor of the Company; and
 - the preferential creditors of the Company.
- 8.3 We do not currently expect that an extension to the administration will be necessary in this case but will revert to creditors if the position changes.

9 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

General

- 9.1 The basis of the Joint Administrators' remuneration may be fixed either as a percentage of the value with which they have to deal ('a percentage basis'), as a set amount, or by reference to the time properly given by the Joint Administrators and their staff in attending to matters as set out in a Fees Estimate. A combination of these bases may be fixed, with different bases being fixed in respect of different things done by the Joint Administrators. Additionally, where a percentage basis is fixed, different percentages may be fixed in respect of different things done by the Joint Administrators.

Approval by appropriate body

- 9.2 The Joint Administrators think that the Company has insufficient property to enable a distribution to be made to unsecured creditors. In such circumstances, responsibility for approving the basis of the Joint Administrators' remuneration lies with the Creditors' Committee (if there is one); or if none (or the Committee does not make the requisite determination): each secured creditor of the Company; or where the Joint Administrators intend to make a distribution to preferential creditors: a decision of the preferential creditors.
- 9.3 In the absence of a Creditors' Committee being established in this case, approval will be sought from preferential creditors and the outcome will be reported to all creditors in due course.

Information to be given to creditors

- 9.4 The Joint Administrators wish, in this case, to seek the preferential creditors' agreement to the basis of their remuneration being set as a fixed amount. Prior to seeking approval of this basis, the Joint Administrators are required to provide all known creditors with details of the work they have already undertaken and propose to undertake, and details of the expenses that they consider will be, or are likely to be, incurred during the administration ("Statement of Likely Expenses"). This information is provided at Appendix E and F of this report.
- 9.5 The Joint Administrators consider the proposed fixed fee to be a fair and reasonable reflection of the work to be undertaken for the reasons set out below:
- The Joint Administrators have already incurred time costs to date which, based on current estimates, exceeds the realisable value of the Company's assets;
 - If the Joint Administrators were to seek to set the basis of their remuneration on a time cost basis, the costs set out in a fees estimate would be disproportionate to the forecast realisations.

Details of the Joint Administrators' time costs to date have also been included for comparison purposes at Appendix D. In summary, time costs of £11,760 have been incurred to date which represents 34 hours at a rate of £345.88 per hour.

- 9.6 The proposed fixed fee in this matter is £10,000. Once approved by the appropriate body of creditors, the remuneration drawn by the Joint Administrators must not exceed this total amount without prior approval. It should be noted that in some instances payment of these costs will be limited to the amount of realisations available in the administration.
- 9.7 It is anticipated that the Joint Administrators will undertake considerable investigations in this matter to identify and realise any additional benefit for creditors. In the event that these investigations are beneficial to creditors the Joint Administrators shall revert to preferential creditors for further fee approval.
- 9.8 Details of the firm's charge-out rates and policy regarding the recharge of disbursements, staff allocation, support staff and the use of subcontractors are attached at Appendix G.
- 9.9 Further guidance may be found in "A Creditors' Guide to Administrators' Fees" which may be downloaded using the following link:
<https://www.r3.org.uk/what-we-do/publications/professional/fees>
If you would prefer this to be sent to you in hard copy please email recovery@leonardcurtis.co.uk or contact Taylor Stevens of this office on 0117 929 4900.

Statement of Likely Expenses

- 9.10 The Joint Administrators' Statement of Likely Expenses is set out for creditor information at Appendix E. To assist creditors' understanding of this information, it has been separated into the following categories:
- (i) Standard Expenses: this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.
 - (ii) Case Specific Expenses: this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in this particular case. Also included within this category are costs that are directly referable to the administration but are not paid to an independent third party (and which may include an element of allocated costs). These are known as "Category 2 disbursements" and they may not be drawn without the approval of the preferential creditors in the same way as fees and the preferential creditors will be contacted directly in this respect. The basis of the calculation of their recharge is detailed in Appendix G.

Further Updates

- 9.11 Information will be provided in subsequent reports on whether the expenditure detailed in the Statement of Likely Expenses has been or is likely to be exceeded and the reasons why.

10 ESTIMATED OUTCOME FOR CREDITORS

- 10.1 In order to assist the various classes of creditors in assessing the quantum of any dividend which may or may not be payable to them, we have produced an Estimated Outcome Statement. This is attached at Appendix F.
- 10.2 The Estimated Outcome Statement assumes the following:
- a) That asset realisations are in line with those estimated at Appendix B;
 - b) That the Joint Administrators' set fee of £10,000 is approved and is not exceeded; and
 - c) That the expenses of the administration are as set out in the Statement of Likely Expenses at Appendix E and are not exceeded.

10.3 In summary:

- Secured creditors – There are no secured creditors in this matter.
- Preferential creditors – The likelihood of a dividend to this class of creditor is dependent upon book debt collections and the outcome of the Administrators' investigations.
- Unsecured creditors – Based on current asset realisations it is not anticipated that a distribution will be made to unsecured creditors.

11 RELEASE OF ADMINISTRATORS FROM LIABILITY

11.1 As soon as all outstanding matters in the Administration have been attended to it is anticipated that we will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically to dissolution.

11.2 The appointment of the Joint Administrators will cease as soon as this notice is issued.

11.3 It is ordinarily for the creditors to fix the date upon which the Joint Administrators are discharged from liability in respect of any action of theirs during the Administration. However, as it is considered that there is little prospect of a dividend to unsecured creditors in this case, we are required to obtain approval to this resolution from the preferential creditors. The appropriate class of creditor will be contacted directly in this respect.

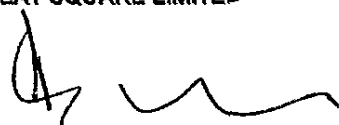
12 CONCLUSION

12.1 It is important that you give careful attention to this report and its Appendices.

12.2 Creditors will be advised of the outcome on the deemed approval of the Proposals in due course.

Should you have any queries or require any further clarification please contact Taylor Stevens at my office, **In writing**. Electronic communications should also include a full postal address.

for and on behalf of
EAT SQUARE LIMITED



ANDREW BECKINGHAM
JOINT ADMINISTRATOR

Andrew Beckingham is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales under office holder number 8683 and Siann Huntley is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales under office holder number 19130

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

JOINT ADMINISTRATORS' STATEMENT OF PROPOSALS

It is proposed that:

1. The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purpose of the Administration.
2. The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
3. In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved.
4. If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation. It is further proposed that Andrew Beckingham and/or Siann Huntley be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB. Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
5. Alternatively, if appropriate, the Joint Administrators apply to Court under Para 65 (3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured creditors within the Administration.
6. The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that Andrew Beckingham and/or Siann Huntley be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them.
7. The Joint Administrators shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.

APPENDIX B

ESTIMATED FINANCIAL POSITION AS AT 28 FEBRUARY 2019

	Notes	Book value £	In Administration £
Assets not specifically pledged			
Sale of Assets	1	2,500	2,960
Book Debts	2	62,820	Nil
Directors Loan Account	3	1,000	Uncertain
		<u>66,320</u>	<u>2,960</u>
 Preferential creditors	 4	 (2,878)	 (2,878)
Available for unsecured creditors		63,442	82
 Unsecured creditors			
H M Revenue & Customs – VAT	5	5,300	5,300
H M Revenue & Customs – PAYE/NIC	5	1,707	1,707
Trade and Expense Creditors	6	43,827	43,827
Employees (count: 1)	7	4,746	4,746
Total value of unsecured creditors		<u>55,580</u>	<u>55,580</u>
 Estimated deficiency as regards unsecured creditors		<u>7,862</u>	<u>(55,498)</u>

NOTES TO THE ESTIMATED FINANCIAL POSITION

All book values have been taken from the Company's latest financial information or from valuations obtained upon administration by independent valuers. It should be noted that no provision has been made for the costs and expenses of the administration.

1. Sales of Assets

As detailed in the report at paragraph 5.1, the Joint Administrators have agreed a sale of the tangible and intangible assets of the Company to the Director in the value of £2,960 plus VAT.

2. Book Debts

The Company records suggest outstanding book debts in the sum of £62,820. The Joint Administrators will investigate the accuracy of these values and pursue any relevant book debts for the benefit of creditors. It is understood that this figure relates to an error with the Company's Sage records and requires further reconciliation. In any event all sales were prepaid and as such the figure in the estimated financial position has been written down as nil.

3. Director's Loan Account

The book value of the director's loan account is as stated in the Company's management accounts as at 28 February 2019 is £1,000. The administrators will liaise with the director and seek his proposals for repayment of the balance due in due course. At the present time, the director's personal financial position has yet to be established and therefore no estimate of the likely recovery has been made. For the purposes of the estimated financial position has been written down as uncertain.

4. Preferential Creditors

It is anticipated that one employee will claim for outstanding entitlements due from the Company. Preferential claims in this instance are made up from Arrears of Wages (capped at £800) and outstanding holiday pay.

5. H M Revenue and Customs

It is understood from Company records that the VAT liability was incurred during the previous three quarters and PAYE/NIC relates to 2018 submissions.

6. Trade and Expense Creditors

These unsecured creditor balance have been extracted from the Company records and should not be considered as agreed amounts.

7. Employee Claims

This figure has been calculated taking into consideration, redundancy pay, pay in lieu of notice and arrears of wages over and above the preferential claim limit. This should not be considered to be agreed amounts.

APPENDIX B (CONTINUED)

CREDITORS LIST FOR THE ESTIMATED FINANCIAL POSITION

Eat Square Limited
 STATEMENT OF AFFAIRS AS AT 28 February 2019
 B - Company Creditors

Code	Name & Address	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
C0001	HMRC - Enforcement & Insolvency Service (EIS) Durrington Bridge House Barrington Road Worthing BN12 4SE				
C0002	HM Revenue & Customs - CT Corporation Tax Services PO Box 29997 Glasgow G70 5AB	£7,007.07			
C0003	SWJ Accountancy Flat 1 Lourdes Flats Triqil Luzzu Qawra Malta SPB 1984	£40.00			
C0004	PPK Francis Clark Limited George Business Centre Christchurch Road New Milton BH25 6QJ	£900.00			
C0005	Ford Credit Ford Credit Europe Manchester Business Centre Number One 1 Tony Wilson Place Manchester M15 4FN	£7,886.28			
C0006	Walter Rose and Son Limited 21-22 Sidmouth Street Devizes Wiltshire SN10 1LD	£233.82			
C0007	Premium Credit Premium Credit Limited Eryn House, Leatherhead Surrey KT22 8UX	£79.69			
C0008	Fredrickson Fredrickson International Limited PO Box 992A Surbiton KT1 9YZ	£279.84			
C0009	Made In Stroud Ltd Unit 6 Daniels Industrial Estate Bath Road Stroud Gloucestershire, GL5 3TJ	£369.00			
C0010	Equita 42-44 Henry Street Northampton NN1 4BZ	£2,133.00			

Eat Square Limited
 STATEMENT OF AFFAIRS AS AT 28 February 2019
 B - Company Creditors

Code	Name & Address	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
C0011	The Pastry Room Limited Village Farm Wootton Road Elsham North Lincolnshire DN20 0NU	£104.25			
C0012	Woods Business Services Unit 4, Woolley Grange Farm Woolley Grange Bradford on Avon Wiltshire BA15 1TY	£66.00			
C0013	Tidy Studio Ty Cefn Rectory Road Cardiff CF5 1QL	£12,435.00			
C0014	Best Park Finance 857 London Road West Thurrock Essex RM20 3AT	£14,101.99			
C0016	Mr John Thorpe Amberley Maiden Street Weston Hitchin SG4 7AA	£1,718.10			
C0017	Wiltshire Council County Hall Bythesea Road Trowbridge BA14 8JN				
C0018	Priority Express Unit 5 (D2) St Phillips Central Albert Road Bristol BS2 0JX	£1,200.00			
C0019	Lead Forensics 3000 Lakeside North Harbour Portsmouth PO6 3EN	£1,080.00			
C0020	Hills Waste Solutions Wiltshire House County Park Business Centre Shirvenham Road Swindon SN1 2NR				
C0021	M W Vehicle Contracts Ltd Unit 24 Park Farm Business Park Billesdon Leicestershire LE7 9FN				

Eat Square Limited
 STATEMENT OF AFFAIRS AS AT 28 February 2019
 B - Company Creditors

Code	Name & Address	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
C0022	Seedrs Ltd Churchill House 142-146 Old Street London EC1V 9BW	£1,200.00			
C0025	Redundancy Payments Office PO Box 16685 Birmingham B2 2LX				
	2 Employees	£7,624.00			
	TOTAL CREDITORS' CLAIM	£58,458.04			

APPENDIX C

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS FROM
28 FEBRUARY 2019 TO 4 APRIL 2019**

	Statement of Affairs £	Received to date £
RECEIPTS		
Sale of Assets	2,960	Nil*
		<hr/> Nil
PAYMENTS		
n/a		Nil
		<hr/> Nil
BALANCE IN HAND		<hr/> Nil

**Please note that funds totalling £1,184 are held at our agents client account in respect of the sale of assets.*

APPENDIX D

JOINT ADMINISTRATORS' TIME INCURRED TO DATE

	INCURRED TO DATE		
	Total		
	Units	Cost	Average
	No	£	hourly rate
			£
Statutory and review	7	182	260.00
Insurance	12	268	223.33
Assets	113	4,724	418.05
Liabilities	61	1,947	319.18
General Administration	44	1,144	260.00
Pre-Appointment Creds Meeting	3	78	260.00
Appointment	86	3,053	355.00
Investigations	14	364	260.00
	340	11,760	345.88

APPENDIX D (CONTINUED)

DETAILS OF WORK PROPOSED TO BE UNDERTAKEN

Statutory and Review

This category of activity encompasses work undertaken for both statutory and case management purposes. Whilst this work will not directly result in any monetary value for creditors, it will ensure that the case is managed efficiently and resourced appropriately, which will be of benefit to all creditors. The work to be carried out under this category will comprise the following:

- Case management reviews. These will be carried out periodically throughout the life of the case. In the early stages of the case this will involve weekly team meetings to discuss and agree case strategy and a month 1 review by the firm's Compliance team to ensure that all statutory and best practice matters have been dealt with appropriately. As the case progresses we will as a minimum carry out three monthly and six monthly reviews to ensure that the case is progressing as planned.
- Allocation of staff, management of staff, case resourcing and budgeting.
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9;
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice;
- The team is required under the Company Directors' Disqualification Act 1986 to review the Company's records and consider information provided by creditors on the conduct of the all directors involved in the Company during the three years leading up to the insolvency. This will result in the preparation and submission of statutory returns or reports on all directors to the Insolvency Service. Evidence of unfit conduct can result in directors being disqualified for periods of up to 15 years;
- Review of directors' sworn statement of affairs and filing of document at Companies House in accordance with statutory requirements; and
- Completion of case closing procedures at the end of the case.

Receipts and Payments

This category of work will not result in a direct financial benefit for creditors. However, close monitoring of case bank accounts is essential to ensure that bank interest is maximised where possible, estate expenses are properly managed and kept to a minimum and amounts payable to creditors are identified and distributed promptly.

- Opening of case bank accounts;
- Management of case bank account(s) to ensure compliance with relevant risk management procedures;
- Preparation of periodic receipts and payments accounts for inclusion in statutory reports
- Timely completion of all post appointment tax and VAT returns; and
- Managing estate expenses.

Insurance, Bonding and Pensions

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect company assets (see Insurance and bonding matters below), whilst requirements in respect of company pension schemes are there to protect the pension funds of Company employees. Whilst there is no direct financial benefit to Company creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of creditor.

- Notification and progression of post-appointment insurance claims;
- Periodic review of insurance requirements over physical assets, to minimise costs to the estate;
- Calculation and request of joint administrators' bond in accordance with the Insolvency Practitioners' Regulations 2005. A Bond is a legal requirement on all administrations and is essentially an insurance policy to protect

creditors against the fraud or dishonesty of the Insolvency Practitioner. The bond is calculated by reference to the value of assets which are estimated before costs to be available to unsecured creditors;

- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice;
- Completion and submission of statutory notifications under the Pensions Act 2004. This includes liaising with the Company directors to establish the existence of Company pension schemes, making the statutory notifications under s22 and s120 of the pensions legislation; liaising with pensions providers to understand the nature of the scheme, and submitting claims to the Redundancy Payments Service for reimbursement of unpaid contributions to the scheme.

Assets

- Agreeing strategy for realisation of Company assets;
- Instruction of and liaising with agents as required;
- Liaising with Company's bankers re pre-appointment bank accounts;
- Identification and return of third party assets;

Liabilities

This category of time includes both statutory and non-statutory matters.

Statutory

- Processing of claims from the Company's creditors
- Processing of claims from the Company's employees
- Preparation, review and submission of pre-appointment tax and VAT returns; and
- Preparation and submission of periodic progress reports to creditors.

Non-statutory

- Dealing with enquiries from the Company's creditors; and
- Dealing with enquiries from the Company's employees.

General Administration

- General planning matters;
- Setting up and maintaining the liquidators' records;
- Arranging collection and storage of company records; and
- Dealing with general correspondence and communicating with directors and shareholders.

Appointment

- Statutory notifications to creditors and other interested parties following the administrators' appointment;
- Preparation of case plan; and
- Formulation of case strategy, including recording of any strategic decisions.

Post Appointment Creditors' Decisions

- Preparation of Joint Administrators' Proposals for achieving a statutory purpose of the administration;
- Preparation of report to agree fee basis and Statement of Expenses in accordance with Insolvency (Amendment) Rules 2015; and
- Convening a decision by correspondence to agree fees with appropriate body of creditors;

- Reporting on outcome of voting.

Investigations

- Collecting and reviewing the Company's records;
- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations and enable the submission of returns due under the Company Directors Disqualification Act 1986 – work done to identify potential additional assets, if successful, will likely result in a much better outcome for creditors.

JOINT ADMINISTRATORS' STATEMENT OF LIKELY EXPENSES

Standard Expenses

Type	Description	Amount £
AML Checks	Electronic client verification	5.00
Bond Fee	Insurance bond	40.00
Document Hosting	Hosting of documents for creditors	56.00
Software Licence Fee	Case management system licence fee	87.00
Statutory Advertising	Advertising	85.95
Storage Costs	Storage of books and records	50.00
	Total standard expenses	323.95

Case Specific Expenses

Type	Description	Amount £
Agents' Fees and Disbursements	Costs of valuing and realising assets	1,060.00
Insurance	Insurance of tangible assets	300.00
	Total case specific expenses	1,360.00

APPENDIX F

ESTIMATED OUTCOME STATEMENT

	Secured	Preferential	Unsecured
	£	£	£
Amount estimated available to class of creditor	n/a	Uncertain	Nil*
Amount due to creditor per Appendix B	n/a	2,878	55,580
Estimated dividend rate (as a %)	n/a%	Uncertain	Nil%

**These figures may be subject to change with regard the outcome of the Joint Administrators' investigations.*

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

The following Leonard Curtis policy information is considered to be relevant to creditors:

Staff Allocation and Charge Out Rates

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

With effect from 6 January 2014 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

6 Jan 2014 onwards	Standard	Complex
	£	£
Director	450	562
Senior Manager	410	512
Manager 1	365	456
Manager 2	320	400
Administrator 1	260	325
Administrator 2	230	287
Administrator 3	210	262
Administrator 4	150	187
Support	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, who may be used for non-contentious matters pertaining to the insolvency appointment.

Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses -- this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

Type	Description	Amount
AML checks	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per individual

Eat Square Limited - In Administration

Bond / Bordereau fee	Insurance bond to protect the insolvent entity against and losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting	Hosting of documents for creditors/shareholders. Cost per upload.	<table> <tr> <th>Type</th><th>First 100</th><th>Every addtl 10</th></tr> <tr> <td>ADM</td><td>£14.00</td><td>£1.40</td></tr> <tr> <td>CVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>MVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CPL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CVA</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>BKY</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>IVA</td><td>£10 p.a. or £25 for life of case</td><td></td></tr> </table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
Type	First 100	Every addtl 10																								
ADM	£14.00	£1.40																								
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CPL	£7.00	£0.70																								
CVA	£10.00	£1.00																								
BKY	£10.00	£1.00																								
IVA	£10 p.a. or £25 for life of case																									
Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £204.00 3-6 months £303.00 6-12 months £490.00																								
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case																								
Statutory advertising	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£85.95 plus VAT per advert Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges																								

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions.	Time costs plus disbursements plus VAT
Other disbursements	See disbursements section below	See disbursements section below

Disbursements

Included within both of the above categories of expenses are disbursements, being amounts paid firstly by Leonard Curtis on behalf of the insolvent entity and then recovered from the entity at a later stage. These are described as Category 1 and Category 2 disbursements.

- a) Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for 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:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£81.25 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

Proof of Debt – General Form

Relevant date:

Name of Company In Administration:

Eat Square Limited

Company registered number:

09382610

1. Name of creditor (if a company, provide registration number)
2. Correspondence address of creditor (including email address)
3. Total amount of claim (£) at relevant date (include any Value Added Tax)
4. If amount in 3 above includes outstanding uncapitalised interest, state amount (£)
5. Details of how and when the debt was incurred (if you need more space attach a continuation sheet to this form)
6. Details of any security held, the value of the security and the date it was given

Eat Square Limited - In Administration

7. Details of any reservation of title claimed in respect of goods supplied to which the debt relates

8. Details of any document by reference to which the debt relates

9. Signature of creditor (or person authorised to act on the creditor's behalf)

10. Date of signing:

11. Address of person signing (if different from 2 above)

12. Name in BLOCK LETTERS

13. Position with, or relation to, creditor

Notes:

1. There is no need to attach them now but the office-holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.
2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office-holder. If completing on behalf of the company, please state your relationship to the company.