

Liquidator's Progress Report

S.192

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

To the Registrar of Companies

Company Number

06375004

Name of Company

Drink Pac UK Limited

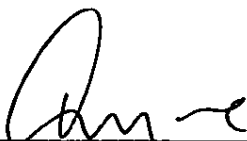
I / We
David Moore
340 Deansgate
Manchester
M3 4LY

Gary N Lee
Begbies Traynor (Central) LLP
340 Deansgate
Manchester
M3 4LY

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 11/07/2012 to 01/07/2013

Signed



Date

13.8.2013

Begbies Traynor (Central) LLP
340 Deansgate
Manchester
M3 4LY

Ref DR017CVL/DM/GNL/RP/ANB



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17/08/2013
COMPANIES HOUSE

#261

13 August 2013

PRIVATE & CONFIDENTIAL

TO ALL CREDITORS

Our Ref DR017CVL/JG/GNL/R
P/HH/XCVL1212P

Your Ref
Contact Helen Hutchinson

Dear Sir

Drink Pac UK Limited (In Creditors' Voluntary Liquidation) ("the Company")

Following a Block Transfer Order at the High Court of Justice in Manchester on 1 July 2013, Jason Greenhalgh was appointed as Joint Liquidator following my resignation from Begbies Traynor

The filing of the order has triggered a new reporting period for each of the cases involved. Although the anniversary of this case is every 11 July, the Order has superseded the anniversary date, and therefore reports will now all be due on each 1 July. The next report will therefore be due on 1 July 2014, unless the liquidation is closed in the meantime.

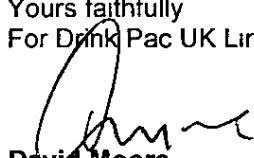
In accordance with Rule 4.49C of the Insolvency Rules 1986 ("IR 1986") the Joint Liquidators' progress report has been produced. Notice is hereby given pursuant to Rule 12A.12 of the IR 1986 that the report is available for viewing and download at <https://nextranet.begbies-traynor.com>. The following Login Name and Password will be required to view or download it:

Login Name DR017CVL
Password WpPtWxq3

A hard copy of the report will be provided upon request made to Helen Hutchinson who can be contacted either by telephone on 0151 227 4010 by e-mail at liverpool@begbies-traynor.com or by post at No 1 Old Hall Street, Liverpool, L3 9HF.

If you need any further information please contact Helen Hutchinson of my office on the number below.

Yours faithfully
For Drink Pac UK Limited


David Moore
Joint Liquidator

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No 1 Old Hall Street, Liverpool, L3 9HF
T 0151 227 4010 F 0151 227 4009 E liverpool@begbies-traynor.com W www.begbies-traynor.com

Begbies Traynor is a trading name of Begbies Traynor (Central) LLP, a limited liability partnership, registered in England No OC306540, registered office 340 Deansgate, Manchester, M3 4LY.

Jason Dean Greenhalgh and Gary N Lee are licensed in the United Kingdom to act as Insolvency Practitioners by the Insolvency Practitioners Association.

Any reference to a partner is to a member of the limited liability partnership. A list of partners is available for inspection at the registered office. A member of the Begbies Traynor Group, Specialist Professional Services www.begbies-traynorgroup.com.

Partners, Directors and Consultants acting as administrators or administrative receivers contract as agents and without personal liability.

Drink Pac UK Limited (In Creditors' Voluntary Liquidation)

Progress report pursuant to Section 104A of the
Insolvency Act 1986 and Rule 4.49C of the
Insolvency Rules 1986

Period 11 July 2012 to 1 July 2013

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Drink Pac UK Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 11 July 2011
"the liquidators", "we", "our" and "us"	David Moore and Gary N Lee of Begbies Traynor (Central) LLP, No 1 Old Hall Street, Liverpool, L3 9HF
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	<ul style="list-style-type: none">(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and(ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s)	Drnk Pac UK Limited
Company registered number	06375004
Company registered office	Begbies Traynor, No 1 Old Hall Street, Liverpool, L3 9HF
Former trading address	Unit 36, First Avenue, Deeside Industrial Park, Deeside, CH5 2NU

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	11 July 2011 (Previously in Administration Appointed 25 01 11)
Date of liquidators' appointment	11 July 2011

Changes in liquidator (if any)	None in the Period
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However, following a Block Transfer Order at the High Court of Justice in Manchester on 1 July 2013, Jason Greenhalgh was appointed as Liquidator following the departure of David Moore from Begbies Traynor

The filing of the Order has triggered a new reporting period for each of the cases involved. Although the anniversary of this case is every 11 July, the Order has superseded the anniversary date, and therefore reports will now all be due on each 1 July. The next report will therefore be due on 1 July 2014, unless the liquidation is closed in the meantime

4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 11 July 2012 to 1 July 2013. A detailed description is provided below with comparisons of the estimated values of realisations, alongside what was actually realised.

Please read this report in conjunction with the previous progress report issued on 5 September 2012. For your ease of reference, I have provided below a description of the progress throughout the liquidation, split into the relevant periods.

Progress to the period from 11 July 2011 to 10 July 2012

The Administration was converted to a Creditors Voluntary Liquidation for the purpose of distributing a prescribed part dividend to its unsecured creditors.

One issue which has delayed the payment of the dividend has been a disputed creditor claim. The Joint Liquidators sought legal advice and carried out their own investigations in order to establish whether the claim should be admitted.

We continued to correspond with other creditors, and ensured that our statutory duties were fulfilled

In January 2012 we submitted our statutory report to The Department of Business, Innovation and Skills on the Director's conduct and the running of the Company. There had been no further findings since the same had been submitted by the Administrators

Reports and reviews were carried out on a timely basis

Receipts and Payments in the period 11 July 2012 to 1 July 2013

We continued to receive legal advice from our appointed Solicitors, Shoosmiths LLP. We requested information from the creditor to assist with our reviews of the disputed claim. Because of the value of the claim we were conscious that the outcome would have a significant effect on the unsecured creditors, whether positive or negative

In March 2013, in order to ensure that creditors were satisfied with our investigations, we issued a letter detailing the facts of the creditor's claim, advice sought and the options available. Creditors were provided with a form to complete and return to us stating their vote on the acceptance or rejection of the large claim

On 22 March 2013, we had received seven votes in total, all of which were voting to accept the claim

In anticipation of the Transfer Order, file reviews and handover notes were prepared so that the new case workers could continue with the liquidation going forward

We received bank interest on the funds held in the account. Payments were made to Solicitors and fees drawn on account of our time costs. Full details are provided below,

Receipts and Payments for the full period in Liquidation

Receipts

Funds from Administration

The receipt of £64,846 relates to the transfer of funds from the Administrator's account following the move to Creditors Voluntary Liquidation

Bank Interest Gross - £67.28

This amount relates to interest accrued since appointment

Payments

Statutory Advertising - £139

We are required to advertise notice of our appointment and notice for creditors to submit their claims in the London Gazette. The sum of £139 has been paid to our advertising agents

Office Holders Fees - £11,250

The Joint Liquidator's have drawn the sum of £11,250 in line with their fee cost resolution

Legal Fees - £3,341

This sum has been paid to Shoosmiths Solicitors and relates to their assistance in verifying and providing advice for the validity of the creditor's claim

Corporation Tax- £22

This has been paid to HMRC and is based on the bank interest received in the period

5. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment (as detailed in the director's statement of affairs) are as follows

Secured creditor

The claim of The Royal Bank of Scotland Plc was settled by the Administrators prior to placing the company into liquidation

Preferential creditors

There are no preferential claims

Unsecured creditors

The sum estimated as owed to unsecured creditors on appointment was £2,810,006

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Details of how the prescribed part for unsecured creditors is calculated were provided by the former Administrators in their statement of proposals

To the best of his knowledge and belief, based on present information that the company's net property, as defined in Section 176A(6) of the Act, to be £236,875 and the prescribed part of the company's net property to be £50,375

The succeeding Liquidator will be reviewing the calculation and ensuring that the figures and funds available are correct. We may need to issue a credit note against fees previously drawn, as on first inspection there are less funds available than the Prescribed Part calculated to distribute

Unsecured creditors

There will be insufficient funds to distribute to creditors, other than by virtue of the Prescribed Part

Notice of Declaration of Dividend

We confirm, pursuant to Rule 11.7 of the Rules that other than the Prescribed Part dividend accompanying this report, no further dividend will be declared in respect of unsecured claims as the balance of funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation

6. REMUNERATION & DISBURSEMENTS

Pursuant to Rule 4.127(5A)(a) of the Rules, our remuneration is treated as having been fixed on the same basis as the former Administrators, by reference to the time properly given by us (as Liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rate of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation

Pursuant to Statement of Insolvency Practice 9, we are also authorised to draw disbursements, including disbursements for services provided by our firm on the same basis as the former Administrators, namely, in accordance with our firm's policy

Our time costs for the period from 11 July 2012 to 1 July 2013 amount to £16,681 which represents 55.6 hours at an average rate of £300.02 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- ☐ Table of time spent and charge-out value for the period 11 July 2011 to 1 July 2013
- ☐ Cumulative Table of time spent and charge-out value for the period 11 July 2012 to 1 July 2013
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3

8. ASSETS THAT REMAIN TO BE REALISED

There are no assets that remain to be realised. An amount of £8,000 in respect of the director's overdrawn loan account previously shown as an estimate to realise has been offset by payments made by the Director under the terms of the personal guarantees.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated at the meeting of creditors convened pursuant to Section 98 of the Act, such report having also been sent to creditors following the meeting, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

Investigations carried out to date

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect.

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

10. CREDITORS' RIGHTS

Right to request further information

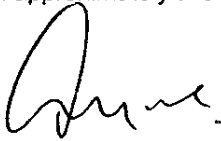
Pursuant to Rule 4.49E of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been detailed in this progress report

Right to make an application to court

Pursuant to Rule 4.131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate

11. CONCLUSION

We can commence the closing procedure once the unsecured claims have been agreed. We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.



David Moore
Joint Liquidator

Dated 13 August 2013

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 11 July 2012 to 1 July 2013

Drink Pac UK Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs	From 11/07/2012 To 01/07/2013	From 11/07/2011 To 01/07/2013
ASSET REALISATIONS		
Funds from Administration	NIL	17,121 05
Bank Interest Gross	67 28	67 28
	<u>67 28</u>	<u>17,188 33</u>
COST OF REALISATIONS		
Office Holders Fees	4,000 00	11,250 00
Legal Fees (1)	3,341 50	3,341 50
Corporation Tax	NIL	21 82
Statutory Advertising	NIL	139 50
	<u>(7,341 50)</u>	<u>(14,752 82)</u>
	<u>(7,274.22)</u>	<u>2,435.51</u>
REPRESENTED BY		
Vat Receivable		2,946 20
Bank 1 Current		1,767 21
Vat Control Account		(2,277 90)
		<u>2,435.51</u>

Note

Receipts & Payments are Shown Net of VAT

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Table of time spent and charge-out value for the period 11 July 2011 to 1 July 2013
- d Cumulative Table of time spent and charge-out value for the period from 11 July 2012 to 1 July 2013,

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories.

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 per meeting,
- Car mileage is charged at the rate of 40 pence per mile,
- Storage of books and records when not chargeable as a *Category 1 disbursement* is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*.

- Telephone and facsimile
- Printing and photocopying
- Stationery

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Liverpool office as at the date of this report are as follows:

	Standard 1 May 2011 – until further notice Regional (£ per hour)
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

[illegible]

[illegible]

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharge) £
Legal fees	Shoosmiths	3,341 50	3,341 50	Nil
Office Holders Fees	Begbies Traynor	4,000	4,000	Nil
Corporation Tax	HM Revenue & Customs	21 82	21 82	Nil
Statutory Advertising	TMP	139 50	139 50	Nil