

# 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

03147034

Name of Company

Trigon Snacks Limited

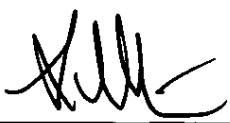
I / We

Steven Muncaster, The Chancery, 58 Spring Gardens, Manchester, M2 1EW

Sarah Helen Bell, The Chancery, 58 Spring Gardens, Manchester, M2 1EW

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 11/06/2015 to 10/06/2016

Signed 

Date 03/08/16

Duff & Phelps Ltd  
The Chancery  
58 Spring Gardens  
Manchester, M2 1EW

Ref 48190C/SBM/SB/SYB/JMS/EB/AA/PUB

THURSDAY



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**Progress Report to  
Creditors  
Trigon Snacks Limited  
(In Creditors' Voluntary  
Liquidation)**

3 August 2016

Joint Liquidators' Progress Report to Creditors  
For the period from 11 June 2015 to 10 June 2016  
Pursuant Section 104A of the Insolvency Act 1986 (as amended)  
and Rule 4.49C of the Insolvency Rules 1986 (as amended)

**Duff & Phelps Ltd.  
The Chancery  
58 Spring Gardens  
Manchester  
M2 1EW**

## Definitions

Word or Phrase	Definition
the Appointment Date	11 June 2014, being the date of appointment of the Joint Liquidators
the Bank / Natwest	National Westminster Bank Plc, with whom the Company banked and the holder of a fixed and floating charge over the Company's assets
the Consortium	Vreedenlust Funds II B V , Plantation U A , Brian Richard Cardy and Duncan Hill, the lenders party to a debenture dated 28 February 2005, and the holders of a fixed and floating charge over the Company's assets
the Company	Trigon Snacks Limited (In Creditors' Voluntary Liquidation) (Company Number 03147034)
CVL	Creditors Voluntary Liquidation
the Directors	Mr Brian Richard Cardy, Mr Richard John Millington and Mr William John Pendleton the directors of the Company
Duff & Phelps	Duff & Phelps Ltd
the First Liquidation Progress Report	First Progress Report issued to creditors, dated 7 August 2015
the Final Report	The Joint Administrators' Final Report to Creditors dated 3 July 2014
HMRC	HM Revenue and Customs
the Joint Liquidators	Steven Muncaster and Sarah Bell (replacing David Whitehouse) of Duff & Phelps Ltd The Chancery, 58 Spring Gardens, Manchester, M2 1EW
the Order	A Block Transfer Order (High Court of Justice Manchester District Registry No 3401 of 2014)
Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential creditors
the Proposals	The Joint Administrators' Statement of Proposals and Report to Creditors dated 1 November 2013
RBSIF	RBS Invoice Finance Limited, with whom the Company had an invoice finance facility and stock financing agreement, and the holder of a fixed and floating charge over the Company's assets
the Reporting Period	the period 11 June 2015 to 10 June 2016

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the Rules	The Insolvency Rules 1986 (as amended)
the Secured Creditors	Natwest, RBSIF and the consortium, each the holder of a fixed and floating charge over the Company's assets
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SOA	Statement of Affairs, documentation supplied by the Directors outlining the Company's financial position as at the Appointment Date
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006
VAT	Value Added Tax

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- 1 Joint Liquidators' Receipts and Payments Account
- 2 Analysis of Time Charged and Expenses Incurred

## **1. Introduction**

- 1 1 David Whitehouse and Steven Muncaster were appointed as Joint Liquidators of the Company on the Appointment Date. The Company had previously been in Administration, but as detailed in the Final Report, was moved to CVL in order to make a distribution to preferential and non-preferential creditors.
- 1 2 As previously advised, a Block Transfer Order was obtained on 8 December 2014. The Order provided for the formal removal of David Whitehouse from office and appointed a replacement office holder, Sarah Bell, a licensed Insolvency Practitioner of Duff & Phelps, The Chancery, 58 Spring Gardens, Manchester, M2 1EW, as Joint Liquidator.
- 1 3 The former Joint Liquidator David Whitehouse has obtained his release from office. Steven Muncaster continues in office as Joint Liquidator.
- 1 4 The purpose of this progress report is to detail the Joint Liquidators' acts and dealings together with the conduct of the Liquidation for the Reporting Period. This report should be read in conjunction with the First Liquidation Progress Report.

## **2 Background**

- 2 1 David Whitehouse and Steven Muncaster were appointed Joint Liquidators of the Company on 11 June 2014. Sarah Bell replaced David Whitehouse in office as Joint Liquidator on 8 December 2014 as noted above. Duff & Phelps' address is The Chancery, 58 Spring Gardens, Manchester, M2 1EW.
- 2 2 The Company's registered office is The Chancery, 58 Spring Gardens, Manchester, M2 1EW. The Company's registration number is 03147034.
- 2 3 The Company's former registered office was Atherton Road, Aintree, Liverpool, L9 7AQ. This was also the former trading address.
- 2 4 The Company's principal activity was the processing of nut based snacks.
- 2 5 Please refer to the Proposals and First Liquidation Progress Report for further information on the background and events leading up to the Administration.

## **3. Joint Liquidators' Receipts and Payments Account**

- 3 1 A detailed Receipts and Payments Account for the Reporting Period is shown in Appendix 1. As at the period end date there was a cash balance of £55,728.
- 3 2 As at the end date there was also a cash balance of £8,995 held in the dividend account. These funds are dividend monies that have been returned or have not yet been presented.

## **4. Progress of the Liquidation**

- 4 1 The manner in which the affairs and business of the Company have been managed in the Reporting Period are set out below.

### **Gross Bank Interest**

- 4 2 The sum of £1,054 has been received during the Reporting Period in respect of gross bank interest.

**Administration VAT and Other Assets**

4.3 As detailed in the First Progress Report, it was anticipated that a payment to HMRC would be required in respect of VAT payable from the Administration process. During the Reporting Period a payment of £60,210 was made to HMRC on 26 April 2016, representing full and final settlement of the Administration VAT obligation.

4.4 There are no further assets left to be realised.

**5. Investigations**

5.1 The Joint Liquidators have complied with their statutory obligation to file a report with DBIS regarding the conduct of all directors of the Company that served in the three years prior to the Joint Liquidators' appointment. The report was submitted to DBIS on 16 September 2014 and the contents remain confidential.

5.2 There are no outstanding lines of enquiry and unless further information comes to light it is not expected that further fees will be incurred on investigatory matters.

**6. Dividend Prospects / Prescribed Part****Secured Creditors****Natwest**

6.1 In consideration for the monies advanced under loan and overdraft facilities, the Company granted Natwest a debenture dated 2 December 2011, which confers fixed and floating charges over all of the assets of the Company. The debenture also granted a specific charge over the Company's trading premises.

6.2 As previously reported, the Company's indebtedness to NatWest of £1.10m was repaid in full during the Administration.

**RBSIF**

6.3 In consideration for the monies advanced under the invoice discounting and stock loan financing agreements, the Company granted RBSIF a debenture dated 15 November 2011, which confers fixed and floating charges over all of the assets of the Company.

6.4 The Company's indebtedness to RBSIF following the application of interest totalled £2.42m. This amount was repaid in full during the Administration.

**The Consortium**

6.5 In consideration for the monies advanced under a loan agreement, the Company granted the Consortium a debenture dated 28 February 2005, which confers fixed and floating charges over all of the assets of the Company.

6.6 The Company's indebtedness to the Consortium following the application of interest and charges totalled £992,521. This amount was repaid in full during the Administration.

**Preferential Creditors**

6.7 As detailed previously, a first and final preferential dividend of 100 pence in the pound was declared on 29 October 2014.

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6 8 All preferential creditors of the Company have now been paid in full

**Prescribed Part**

6 9 As previously reported, each of the Secured Creditors' debentures were granted after 15 September 2003 and as a result the provisions of the Prescribed Part would apply

6 10 Following the payments in full to the three Secured Creditors in the Administration, a Prescribed Part fund of £516,497 was made available for distribution to the non-preferential creditors

6 11 A first dividend to non-preferential creditors of 7 4 pence in the pound was declared on 4 September 2015 From the Prescribed Part, costs of £19,000 were deducted by the Joint Liquidators in relation to their costs associated with the distribution This resulted in a distribution of £496,720 being paid to non-preferential creditors

**Non-Preferential Unsecured Creditors**

6 12 According to the Directors' SOA, non-preferential creditors total £6 74m The non-preferential creditors can be summarised as follows

<b>Creditor</b>	<b>Claim</b>
Trade & Expense Creditors	£ 4,991,120
HM Revenue & Customs	£ 750,000
Employee Non-Preferential Claims	£ 1,000,000
<b>Total</b>	<b>£ 6,741,120</b>

6 13 Based upon the current information available there are sufficient funds held to enable a second distribution to the non-preferential creditors of the Company Further information regarding this distribution will be circulated to non-preferential creditors in due course

**7. Costs and Expenses**

7 1 The basis of the Joint Liquidators' remuneration was fixed on the basis of time properly charged at the creditors meeting held in the Administration on 18 November 2013 This resolution was carried into the Liquidation of the Company in accordance with Rule 4 127 (5A) of the Rules

7 2 The time costs charged in the Reporting Period since the last progress report are as analysed at Appendix 2 and total £26,278 Time has been charged in six minute units

7 3 The time costs incurred by the Joint Liquidators prior to the start of the current period are £75,523, as previously reported The total time costs incurred by the Joint Liquidators to the end of the current period are £101,801 representing 463 hours with an average charge out rate of £220

7 4 In accordance with SIP 9, the Joint Liquidators have provided creditors with additional information regarding major areas of time recorded below



- Time costs of £7,529 have been incurred under the heading Cashiering & Accounting This relates to the time spent dealing with the Liquidation bank account including bank reconciliations, payments and journals for receipt of funds
  - Time costs of £2,892 have been incurred under the heading Statutory Matters (Meetings, Report & Notices) This relates to the time producing the first progress reports to creditors and dealing with filing requirements in the Liquidation
  - Time costs of £2,569 have been incurred under the heading Strategy planning & control This relates to time spent reviewing the general progression of the Liquidation and discussing such progression both internally and with appointed advisors
  - Time costs of £3,751 have been incurred under the heading Non Pref Creditors/ Employee claims handling This relates to time spent organising and reviewing non-preferential creditors' claims as part of the distribution process and making the distribution to non-preferential creditors
- 7 5 A total of £55,000 has been paid to the end of the current period in respect of the Joint Liquidators' post appointment remuneration. A further invoice of £30,000 has been raised in respect of Joint Liquidators' remuneration during the Reporting Period, although was submitted after the end of this Reporting Period
- 7 6 It is anticipated that a further £25,000 of time costs will be incurred in bringing the Liquidation to a conclusion. The Joint Liquidators intend to draw these time costs in full from the Liquidation estate, prior to moving the Company to dissolution
- 7 7 The Joint Liquidators' disbursements are also detailed at Appendix 2
- 7 8 The Joint Liquidators have incurred expenses in dealing with the Liquidation of the Company and these are detailed in Appendix 2
- 7 9 Information regarding the fees and disbursements of liquidators, including details of the Duff & Phelps disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Liquidators' Fees". This can be viewed and downloaded from the Joint Liquidators' website at <http://www.duffandphelps.com/uk-restructuring/creditor-guides>. Should you require a copy, please contact this office
- 7 10 Any secured creditor, or any non-preferential creditor (with the support of at least 10% in value of the non-preferential creditors or the permission of the Court), may apply to Court on the grounds that the remuneration or basis fixed for the Liquidator's remuneration or the expenses incurred by the Liquidator are considered to be excessive. This application must be made no later than 8 weeks after receipt of the progress report, where the charging of the remuneration or the incurring of expenses in question occurs
- 8 Further Information**
- 8 1 In accordance with Rule 4.49E of the Rules, secured creditors and non-preferential creditors (with the concurrence of at least 5% in value of total unsecured claims) may make a request in writing to the Liquidator for further information about the remuneration or expenses set out in this progress report. This should be done within 21 days of receipt of this report
- 9 Conclusion**
- 9 1 Creditors will receive formal reports annually until the conclusion of the Liquidation. However it is expected that the next report to creditors will be the final report
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92 In the meantime if you require any further information please contact Edward Brown of this office



**Steven Muncaster**  
Joint Liquidator

**Appendix 1**

**Joint Liquidators' Receipts and Payments Account**

**Trigon Snacks Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs	From 11/06/2015 To 10/06/2016	From 10/09/2013 To 10/06/2016
<b>SECURED ASSETS</b>		
Bank Interest	45.52	45.52
	<u>45.52</u>	<u>45.52</u>
<b>ASSET REALISATIONS</b>		
Insurance Refund	NIL	7,441.82
Bank Interest Gross	1,008.82	1,268.31
Trading Surplus/(Deficit)	NIL	(818.79)
Other Refunds	NIL	4,826.98
Transfer from Administration	NIL	781,545.87
	<u>1,008.82</u>	<u>794,264.19</u>
<b>COST OF REALISATIONS</b>		
Former Joint Administrators' Remuner	NIL	59,599.70
Former Joint Administrators' Disburse	NIL	295.16
Liquidators' remuneration	NIL	55,000.00
Accountants Fees	4,050.00	4,050.00
Corporation Tax charges	51.80	51.80
Newco Sainsburys Debit Note Refund	NIL	2,688.52
Storage Costs	385.18	574.98
Statutory Advertising	84.60	169.20
Administration VAT	60,210.09	60,210.09
Bank Charges	42.22	94.47
Miscellaneous Expenditure	NIL	NIL
	<u>(64,823.89)</u>	<u>(182,733.92)</u>
<b>PREFERENTIAL CREDITORS</b>		
RPS	NIL	5,244.60
Employee Arrears / Holiday Pay	NIL	639.86
PAYE/NIC on Pref Dividend	NIL	353.56
	<u>NIL</u>	<u>(6,238.02)</u>
<b>UNSECURED CREDITORS</b>		
Trade & Expense Creditors	779.85	779.85
Prescribed Part Distribution	496,720.16	496,720.16
Non-preferential distribution	13,000.00	13,000.00
HM Revenue and Customs	1,972.91	1,972.91
	<u>(512,472.92)</u>	<u>(512,472.92)</u>
	<u><b>(576,242.47)</b></u>	<u><b>92,864.85</b></u>
<b>REPRESENTED BY</b>		
VAT receivable		28,181.46
Floating/main current account		55,728.46
Dividend account		8,954.93
		<u><b>92,864.85</b></u>

**Trigon Snacks Limited  
(In Liquidation)  
Joint Liquidators' Trading Account**

Statement of Affairs	From 11/06/2015 To 10/06/2016	From 10/09/2013 To 10/06/2016
TRADING EXPENDITURE		
Professional Fees	NIL	200.00
Corportation Tax	NIL	259 72
Stock	NIL	359 07
	<u>NIL</u>	<u>(818.79)</u>
<b>TRADING SURPLUS/(DEFICIT)</b>	<u><b>NIL</b></u>	<u><b>(818.79)</b></u>

**Appendix 2**

**Analysis of Time Charged and Expenses Incurred**

48190 TRIGON SNACKS LIMITED

ANALYSIS OF LIQUIDATORS TIME COSTS FOR THE PERIOD 11/06/2015 to 10/06/2016

CVL-Creditors Vol Liquidation - Post Appt

Classification of Work Function	Hours					Total Hours	Time Cost	Avg Hourly Rate
	Partner	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case review and Case Diary management	0 50	2 70	0 80	4 80	0 00	7 60	1,773 50	233 36
Cashiering & accounting	0 00	0 55	10 80	35 00	0 00	45 45	7,529 25	
IPS set up & maintenance	0 00	0 00	0 00	0 40	0 00	0 40	46 00	115 00
Statutory matters (Meetings & Reports & Notices)	0 50	3 75	2 25	3 70	0 00	10 20	2,891 75	283 50
Strategy planning & control	0 00	3 20	4 30	0 80	0 00	8 30	2,569 00	309 52
Tax Compliance/Planning	0 00	0 00	1 10	3 80	0 00	4 90	414 00	84 49
<b>Creditors</b>								
Communications with Creditors/Employees	0 00	0 50	4 20	14 40	0 00	16 85	2,363 00	140 24
Non Pref Creditor claims adjudication and dist'n	0 00	3 50	0 00	30 45	0 00	8 75	1,968 75	
Non Pref Creditors/Employee claims handling	0 00	0 00	0 00	26 90	0 00	22 50	3,751 25	166 72
Prescribed Part	0 00	0 00	0 00	3 40	0 00	3 40	136 00	40 00
<b>Total Hours</b>	<b>1 00</b>	<b>14 20</b>	<b>23 45</b>	<b>123 45</b>	<b>0 00</b>	<b>162 10</b>		
<b>Total Fees Claimed</b>	<b>505 00</b>	<b>5,127 50</b>	<b>6,674 50</b>	<b>13,970 50</b>	<b>0 00</b>		<b>26,277 50</b>	

48190 TRIGON SNACKS LIMITED

ANALYSIS OF LIQUIDATORS TIME COSTS FOR THE PERIOD 11/06/2014 to 10/06/2016

CVL-Creditors Vol Liquidation - Post Appt

Classification of Work Function	Hours					Total Hours	Time Cost	Avg Hourly Rate
	Partner	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case review and Case Diary management	5 00	18 50	3 00	18 10	0 00	43 40	13,073 90	300 24
Cashiering & accounting	0 20	5 55	17 70	61 85	1 50	85 90	16,182 50	188 38
Dealings with Directors and Management	0 00	0 00	0 00	2 55	0 00	2 55	463 75	181 86
IPS set up & maintenance	0 00	0 30	0 00	4 90	0 00	5 20	709 00	136 35
Insurance	0 00	0 00	0 75	1 50	0 00	2 25	487 50	216 67
Statutory matters (Meetings & Reports & Notices)	0 50	8 00	5 65	18 95	0 00	33 10	7,872 50	237 84
Strategy planning & control	0 00	11 60	5 10	0 80	0 00	17 50	5,891 00	336 63
Tax Compliance/Planning	0 00	0 00	4 80	3 80	0 00	8 60	1,413 00	164 30
<b>Creditors</b>								
Communications with Creditors/Employees	17 50	16 35	7 00	66 55	0 00	105 15	28,021 00	266 48
Non Pref Creditor claims adjudication and dist'n	0 00	0 60	0 00	59 45	0 00	60 05	8,513 25	
Non Pref Creditors/Employee claims handling	0 00	10 20	0 00	46 80	0 00	49 30	10,569 25	214 39
Pref claims adjudication and distribution	0 00	0 00	1 20	19 90	0 00	21 10	3,835 00	181 75
Prescribed Part	0 00	0 00	0 00	3 40	0 00	3 40	136 00	40 00
<b>Investigations</b>								
CDDA & reports & Communication	0 00	0 00	0 00	10 75	0 00	10 75	1,373 75	127 79
<b>Realisation of Assets</b>								
Freehold and Leasehold Property	0 00	0 00	0 00	0 40	0 00	0 40	68 00	170 00
Other Intangible Assets	0 00	0 00	1 00	0 00	0 00	1 00	200 00	200 00
Other Tangible Assets	0 00	0 00	0 00	0 50	0 00	0 50	100 00	200 00
Pre-Appointment Tax Reclaims	0 00	0 00	0 00	0 50	0 00	0 50	100 00	200 00
<b>Total Hours</b>	<b>23 20</b>	<b>71 10</b>	<b>46 20</b>	<b>320 70</b>	<b>1 50</b>	<b>462 70</b>		
<b>Total Fees Claimed</b>	<b>11,729 00</b>	<b>25,992 50</b>	<b>12,936 00</b>	<b>50,978 50</b>	<b>165 00</b>		<b>101,801</b>	



**Trigon Snacks Limited (In Liquidation)**  
**Joint Liquidators' Disbursements**

	Reporting Period	
	Incurred	Amount Paid
	(£)	(£)
<b>Category 1</b>		
Statutory Advertising	84 60	84 60
Storage Costs	385 18	385 18
Corporation Tax Charges	51 80	51 80
<b>TOTAL</b>	<b><u>£521 58</u></b>	<b><u>£521 58</u></b>

**Trigon Snacks Limited (In Liquidation)  
Joint Liquidators' Expenses**

Company	Activity	Fee Basis	Reporting Period	
			Incurred (£)	Amount Paid (£)
<b>Costs</b>				
Alexander & Co	Accountants- Completion of Tax returns for the Administration and Liquidation	Time Costs	4,050 00	4,050 00
Royal Bank of Scotland	Bank Charges	Transaction Based	42 22	42 22
<b>TOTAL</b>			<u><u>£4,092.22</u></u>	<u><u>£4,092.22</u></u>