

LIQ02

Notice of statement of affairs



Companies House

FRIDAY



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A20

01/09/2017

#332

COMPANIES HOUSE

1 Company details

Company number 01057020

Company name in full Kerbury Limited

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

2 Liquidator's name

Full forename(s) Kate

Surname Merry

3 Liquidator's address

Building name/number Salisbury House

Street Station Road

Post town Cambridge CB1 2LA

County/Region

Postcode

Country

4 Liquidator's name

Full forename(s)

Surname

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

5 Liquidator's address

Building name/number

Street

Post town

County/Region

Postcode

Country

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

LIQ02

Notice of statement of affairs

6 Date of statement of affairs

Date

d	1	d	4	m	0	m	8	y	2	y	0	y	1	y	7
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7 Statement of affairs

I attach:

- ☐ Statement of affairs by the liquidator under section 95(1A) of the Insolvency Act 1986
- ☒ Statement of affairs by a director under section 99(1) of the Insolvency Act 1986
- ☐ Statement of concurrence

8 Sign and date

Liquidator's signature

Signature

X *K. May*

X

Signature date

d	3	d	1	m	0	m	8	y	2	y	0	y	1	y	7
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LIQ02

Notice of statement of affairs

**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	Ben Dyer
Company name	Peters Elworthy & Moore
Address	Salisbury House Station Road
Post town	Cambridge CB1 2LA
County/Region	
Postcode	
Country	
DX	
Telephone	01223 728222

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Statement of Affairs

Statement as to affairs of

Kerbury Limited

on the 14 August 2017

Statement of truth

I believe that the facts stated in this Statement of Affairs are true.

Full Name

ROBERT VICTOR STEVENSON

Signed



Dated

Figure 1. Schematic representation of the experimental design. The subjects were divided into two groups: the control group (CG) and the experimental group (EG). The CG was divided into two subgroups: the control group (CG) and the experimental group (EG). The EG was divided into two subgroups: the control group (CG) and the experimental group (EG). The CG was divided into two subgroups: the control group (CG) and the experimental group (EG). The EG was divided into two subgroups: the control group (CG) and the experimental group (EG).

Statement of Affairs

Statement as to affairs of

Kerbury Limited

on the 14 August 2017

Statement of truth

I believe that the facts stated in this Statement of Affairs are true.

Full Name

JOHANNA STEVENSON

Signed

J Stevenson

Dated

**Financial Information to Creditors and
Members of**

Kerbury Limited

Pursuant to Statement of Insolvency Practice 6

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- 1 Company Information**
- 2 *Summary of Financial Information***
- 3 Directors' Reasons for Failure & Recent Trading Activity**
- 4 Statement of Affairs & Deficiency Account**

1 Company Information

Registered name of the company	Kerbury Limited
Trading names (if different)	Kerbury Business Centre
Registered number	01057020
Registered office address	1 Rookwood Way Haverhill Suffolk CB9 8PB
Principal trading address	1 Rookwood Way Haverhill Suffolk CB9 8PB
Parent, Subsidiary or Associated Company Names and their registered numbers (if any)	N/A
Date of instruction to seek a decision on the nomination of a liquidator and by whom the instruction was given	The directors of the Company instructed Peters Elworthy & Moore (PEM) on 7 August 2017
Amounts paid by or on behalf of the Company in respect of the instructions to assist in placing the Company into liquidation prior to the decision of creditors on the liquidator's appointment (if any)	N/A
Details of any prior involvement with the Company or its directors that could reasonably be perceived as presenting a threat to the proposed liquidator's objectivity (if any)	Neither Kate Merry nor PEM have had any previous involvement with the Company or its directors prior to being consulted in relation to the Company's insolvency which is perceived would present a threat to their objectivity in dealing with the proposed liquidation.
Company Directors	Robert Stevenson Johanna Stevenson
Company Shareholders	Robert Stevenson – 5749 Ordinary Shares David Barber – 3990 Ordinary Shares Johanna Stevenson – 1758 Ordinary Shares

2 Summary of Financial Information

2.1 Extracts from the Company's financial statements disclose the following information:

Period ended	Accounts 31 October 2016 £	Accounts 31 October 2015 £	Accounts 31 October 2014 £
Turnover	2,442,283	2,467,324	2,608,211
Gross profit	827,319	824,530	858,941
Gross profit %	25.69	25.31	25.19
Extracts from expenditure			
Directors' remuneration	172,784	168,153	124,283
Dividends paid	-	8,333	27,311
Net profit / (loss)	18,571	31,322	51,741
Reserves / accumulated losses	127,783	109,212	86,223

2.2 The Company was not subject to audit as it qualified as a small company for reporting purposes.

2.3 There have been no other transactions (other than in the ordinary course of business) with any of the Company's directors, associates, or subsidiaries during the 12-month period prior to the winding-up of the Company.

3 Directors' Reasons for Failure & Recent Trading Activity

3.1 The company was incorporated in 1972. In the early days the company traded as Stereo Type Products and manufactured typewriter ribbons and carbon paper. The company evolved to become an office products dealer and was known as STP Stationery.

3.2 In 1993/4 Robert Stevenson and David Barber came into the business and, together with two other long-serving employees, became Directors of the company and the other Directors retired from the business.

3.3 STP Stationery expanded into other product areas including IT and office furniture. It had two retail shops. The company was known as STP Group with the divisions being STP Office Supplies, STP Stationery, STP Computers, STP Business Centre

3.4 In 2011 the company moved to Confidential Invoice Discounting provided by RBSIF who audited the company each year until 2014.

3.5 In 2016 it came to light that two long-serving, trusted employees in important positions were (independently) stealing from the company.

3.6 One employee was stealing goods, selling them privately and using the company's postal and courier service to send those parcels out. The employee admitted this when challenged and was immediately dismissed, but the theft cost the company at least £20,000. There were no chances of any recovery due to the individual's personal circumstances.

3.7 The other long-serving employee was completely responsible for the day-to-day accounts of the company and was trusted to run the computer system, the ledger, the bank accounts, customer remittances, all payments, reporting to RBSIF and preparing company accounts information. Again, due to the individual's personal circumstances there was no immediate chance of recovery but the employee made a commitment to repay a weekly amount. An amount of £34,000 was admitted to, but it is likely to have been a lot higher. This was done by creative accounting.

- 3.8 In 2016 the company's main wholesaler informed the company that they wanted to change the way that goods were supplied; no longer would they deliver twice a day into the warehouse for the company to pack individual customer parcels and then deliver these parcels to customers using their own vehicles and delivery drivers. The wholesaler would provide a complete solution. An alternative solution was offered by a large independent office products dealer. A new company called STP Office Supplies Ltd was formed with the Directors of the other company taking a 70% shareholding in STP Office Supplies Ltd and three of the existing Directors of Kerbury Ltd each taking a 10% shareholding in STP Office Supplies Ltd.
- 3.9 A meeting was held in December 2016 with RBSIF and Natwest to explain the changes and both agreed to continue to fund Kerbury Ltd which would continue to trade as Kerbury Business Centre.
- 3.10 STP Office Supplies Ltd made a payment of £160,000 to Kerbury Ltd for STP. Kerbury Ltd was left to collect in outstanding payments for STP Stationery invoices which were assigned to RBSIF and to also pay suppliers the outstanding debts along with ongoing supplier invoices incurred by the smaller, remaining, business.
- 3.11 All staff that were employed by Kerbury Ltd that were in roles related to STP Office Supplies were transferred to STP Office Supplies Ltd and where there was no longer a role for some of those staff they were made redundant. This included one of the Directors, warehouse staff, van drivers and the accounts manager.
- 3.12 In July 2017 RBSIF requested an audit. In the audit, Robert Stevenson explained what had happened with the accounts manager and the effect that this would have on the amount of funds RBSIF had already advanced. The audit also identified invoices which they disallowed as they did not meet their criteria of the factoring. RBSIF immediately suspended the facility. With no ability to pay impending supplier payments and with no time to consider suitable alternative finance arrangements this left Robert Stevenson in the position of having to consult with Insolvency Practitioners and it was concluded that the only option was to place the company into liquidation.
- 3.13 The director sought advice from PEM on 1 August 2017 having already consulted with their accountants. PEM were appointed to act on the Company's behalf on 8 August 2017. Notices were sent to creditors on 14 August 2017.

4 Statement of Affairs & Deficiency Account

- 4.1 A copy of the Directors' Estimated Statement of Affairs (SoA) of the Company as at 14 August 2017 is provided with this report. The Statement of Affairs is presented subject to the costs and expenses of the liquidation and where applicable, trade creditors are shown inclusive of VAT.

- 4.2 The deficiency is made up as follows:

	£	£
Accumulated Profit at 31 March 2016		127,783
Deduct/Add:		
Amounts written off for the purposes of the SoA:		
- Trade Debtors	219,438	
- IT Equipment	(9,000)	
- Plant & Machinery, Fixtures & Fittings	19,533	

- Motor Vehicles	(184)	
- Leasehold Improvements	12,990	
- Stocks	136,635	
		(379,412)
Subtotal		(251,829)
Employees redundancy & notice pay		(54,459)
Balance - estimated trading loss for the period		(317,068)
Deficiency per Statement of Affairs		(623,156)

KERBURY LIMITED
DIRECTORS' ESTIMATED STATEMENT OF AFFAIRS
AS AT 14 AUGUST 2017

Note	Book Values £	Estimated to Realise £
ASSETS SPECIFICALLY PLEDGED		
1. Goodwill	Nil	Uncertain
Natwest Bank Plc	(31,158)	(31,158)
Shortfall c/d	<u>(31,158)</u>	<u>(31,158)</u>
2. Factored Book Debts	326,727	107,289
RBS Invoice Finance	(217,000)	(217,000)
Shortfall c/d	<u>109,727</u>	<u>(109,711)</u>
3. IT Equipment	Nil	1,000
Lombard	(10,524)	(10,524)
Shortfall c/d	<u>(10,524)</u>	<u>(9,524)</u>
ASSETS NOT SPECIFICALLY PLEDGED		
4. Leasehold Improvements	12,990	Nil
5. Plant & Machinery, Fixtures & Fittings	20,533	1,000
6. Motor Vehicle	566	750
7. Stocks	158,635	22,000
Available for preferential creditors	<u>192,724</u>	<u>23,750</u>
LIABILITIES		
Preferential creditors		
8. Employees - accrued holiday & arrears of wages		(9,742)
Estimated surplus for floating charge creditor		14,008
Shortfall to Natwest Bank Plc		(31,158)
Shortfall to RBSIF		<u>(109,711)</u>
		(126,861)
Unsecured creditors		
Lombard Shortfall b/f	9,524	
Trade and expense creditors (list attached)	146,903	
9. Other Lenders	161,615	
8. Employees	59,547	
10. Stevenson Barber Ltd	49,000	
10. Landlord	16,400	
Directors Loan Account	2,500	
11. HM Revenue & Customs – VAT	34,762	
11. HM Revenue & Customs – PAYE/NIC	<u>4,546</u>	<u>(484,797)</u>
Deficiency as regards unsecured creditors		(611,658)
SHARE CAPITAL ISSUED & FULLY PAID		
11,498 Ordinary shares of £1 each		(11,498)
ESTIMATED TOTAL DEFICIENCY		
(subject to the statement of affairs fee and the costs of winding-up)		<u>(623,156)</u>

Note: Section 176(A) of the Insolvency Act 1986 (the prescribed part or reserved fund for unsecured creditors) ordinarily applies to the Liquidation as there is a floating charge issued after the 15 September 2003. However, as the prescribed part is likely to be below £10,000 it has been disapplied for the purposes of the statement of affairs.

Peters Elworthy & Moore
Kerbury Limited
B - Company Creditors

Key	Name	Address	£
CA01	AEGIS	8 Dedham Vale Business Centre, Dedham, Manningtree Road, Essex, C07 6BL	868.80
CA02	Ammerhurst Ltd	Colton Houser, Princes Avenue, London, N3 2DB	88.57
CA03	Anglian Water	P O Box 854, Lincolnshire, LN5 7WR	146.74
CA04	Anglo Tech Services Ltd	33 Laurel Close, Taunton, Somerset, TA1 2QH	408.00
CA05	Armell Lift Trucks Limited	3A Crittal Drive, Springwood Industrial Estate, Braintree, Essex, CM7 2RT	150.00
CA06	Avg UK	Glenholm Park, Drunel Drive, Newark, Nottinghamshire, NG24 2EG	4,275.78
CB00	The Barcode Warehousing	Telford Drive, Newark Industrial Estate, Nottingham, NG24 2DX	44.39
CB01	Boost Capital	4th Floor, Greenwood House, 91-99 New London Road, Chelmsford, Essex, CM2 0PP	12,000.00
CC00	Canon (UK) Limited	P O Box 244, Woodhatch, Reigate, Surrey, RH2 8BF	468.00
CC01	Chubb Fire & Security Limited	Number 1 @ The Beehive, Lions Drive, Shadsworth Business Park, Blackburn, Lancashire BB1 2QS	432.00
CC02	Continuum	99 High Street, Boston, MA 02100-2310, USA	1,036.66
CC03	Capital on Tap	Westbourne Studios, 242 Acklam Road, London, W10 5JJ	13,872.75
CC04	Robert Stevenson	1 Rookwood Way, Haverhill, CB9 8PB	2,500.00
CD00	Digital Print Shop	4 Chapple Drive, Haverhill, Suffolk, CB9 0DG	1,047.96
CD01	Doxbond (Cambridge)	1 Civic Industrial Estate, Homefield Road, Haverhill, Suffolk, CB9 8QP	6.60
CD02	DPD	15th Floor, Castlemead, Lower Castle Street, Bristol, BS1 3AG	105.13
CE00	Easico Ltd	Unit 19 Crossfield Road, Industrial Estate, Crossfield Road, Lichfield, Staffordshire, WS13 6RJ	75.06
CE01	Electronic Frontier Ltd	3 Bacchus House, Calleva Park, Aldermaston, Berkshire, RG7 8EN	254.50
CE02	EMG Anglia Limited	Manor Road, Haverhill, Suffolk, CB9 0EP	856.64
CE03	Ensors	Saxon House, Moseley's Farm Business Centre, Fornham All Saints, Bury St Edmunds, Suffolk, IP28 6JY	2,604.00
CE04	Entanet International Ltd	Stafford Park, Telford, Shropshire, TF3 3AT	937.24
CE05	Exertis (UK) Ltd	Technology House, Magnesium Way, Hapton, Burnley, Lancashire BB12 7BF	519.86
CE06	Evo-Group	K House, Sheffield Business Park, Europa Link, Sheffield, S9 1XU	4,448.90
CF00	The Fuelcard Company	St James Business Park, Grimbald Crag Court, Knaresborough, HG5 8QB	9.94
CF01	Funding Circle	71 Queen Victoria Street, London, EC4V 4AY	119,356.29
CG00	George Wicker Copywriting Services	10 Wigston Road, Bury St Edmunds, Suffolk, IP33 2HF	250.00
CH00	Hainenko Limited	284 Chase Road, London, N14 6HF	1,903.21

Peters Elworthy & Moore
Kerbury Limited
B - Company Creditors

Key	Name	Address	£
CH01	Haverhill Electrical Supplies	3 Spring Rise, Falconer Road, Haverhill, Suffolk, CB9 7XU	165.42
CH02	Haverhill Chamber of Commerce & Industry	Felaw Maltings, South Kiln, 42 Felaw Street, Ipswich, Suffolk IP2 8HE	18.00
CH03	Haverhill PC Bureau	1 Rookwood Way, Haverhill, Suffolk, CB9 8PB	534.13
CH04	H M Revenue & Customs (PAYE)	ICHU, Benton Park View, Longbenton, Newcastle-Upon-Tyne, NE98 1ZZ	4,546.00
CH06	H M Revenue & Customs (VAT)	Insolvency Securities, 3rd Floor, Euston Tower, 286 Euston Road, London, NW1 3UQ	34,762.00
CI00	Ingram Micro (UK) Limited	Garamonde Drive, Wymbush, Milton Keynes, Bucks, MK8 8DF	8,539.82
CI01	Integrity Software Systems	Integrity House, Mere Park, Dedmere Road, Marlow, Bucks SL7 1PB	540.00
CJ00	Just CRB LLP	Berryfield House, Berkswell Road, Meriden, Coventry, West Midlands CV7 7LB	70.04
CL00	Latent Digital Solutions	Unit 32, Greenways Business Centre, Harlow Business Park, Harlow, Essex CM19 5QE	156.00
CL01	Lombard North Central PLC	P O Box 520, Rotherham, S63 3BR	10,524.02
CL02	Liberis Finance	One Hammersmith Broadway, London, W6 9DL	9,400.00
CM00	Midwich Limited	Gilray Road, Diss, Norfolk, IP22 3YT	20,230.11
CM01	Mitchell's Motor Repairs	20 Hollands Road, Haverhill, Suffolk, CB9 8PP	104.18
CM02	MXL Logistics Limited	Unit 1 Deltach Premises, Piperell Way, Haverhill, Suffolk, CB9 8PH	285.60
CN00	Nevastray	1 Rookwood Way, Haverhill, Suffolk, CB9 8PB	9,233.82
CN01	Nimans	Goodwin Business Park, The Links, Newmarket, Suffolk, CB8 0TG	75.14
CN02	NatWest	Commercial Banking, 26 The Havens, Ransomes Europark, Ipswich, Suffolk, IP3 9SJ	11,565.32
CN03	NatWest	Commercial Banking, 26 The Havens, Ransomes Europark, Ipswich, Suffolk, IP3 9SJ	19,592.38
CP00	Pledge Office Chairs Limited	Mill Road, Leighton Buzzard, Beds, LU7 1BA	414.00
CP01	Powerdrive Systems Limited	The Balthole, Hollands Road, Haverhill, Suffolk, CB9 8PJ	47.54
CP02	Paypal Working Capital	22-24 Boulevard Royal, L-2449, Luxembourg, R.C.S. Luxembourg B, 118 349	6,986.00
CQ00	QMS International PLC	Muspole Court, Muspole Street, Norwich, Norfolk, NR3 1DJ	148.50
CR00	Ricoh UK Ltd	Credit Control, P O Box 1363, 800 Pavillion Drive, Northampton, NN4 4FG	248.40
CR01	Red Cat Distribution	c/o Barclays Bank Plc, Churchill Plaza, Churchill Way, Basingstoke, RG21 7GL	12.00
CR02	RBSIF	Invoice Finance, 3rd Floor, 2 St Philips Place, Birmingham, B3 2RB	217,000.00
CS00	Saffron Insurance	67 High Street, Saffron Walden, Essex, CB10 1AA	30.00
CS01	Science Warehouse Limited	Suite B2, Half Roundhouse, Roundhouse Business Park, Leeds, LS12 1AH	350.40
CS02	Scotia Binding Supplies Ltd	22 Optima Park, Thames Road, Crayford, Kent, DA1 4QX	303.96
CS03	Sheppard Gas Services Limited	10 Blenheim Close, Haverhill, Suffolk, CB9 0AD	90.00
CS04	Spicers Wholesale	Building 1000, Cambridge Research Park, Waterbeach, Cambridge, CB25 9PD	37,581.78

Peters Elworthy & Moore
Kerbury Limited
B - Company Creditors

Key	Name	Address	£
CS05	Spicers (Hav Shop Account)	Building 1000, Cambridge Research Park, Waterbeach, Cambridge, CB25 9PD	341.53
CS06	Spire Technology	5 Blackmoor Road, Ebblake Industrial Estate, Verwood, Dorset, BH31 6AX	176.53
CS07	Star Electrical	3 Rowell Close, Haverhill, Suffolk, CB9 0EE	5,078.45
CS08	Steelco Ltd	Sandy Hill, Lamport Road, Rothwell, Northants, NN14 1LQ	303.72
CS09	Stevenson - Barber	Essex Cottage, Helions Bumpstead, Haverhill, Suffolk, CB9 7AF	65,400.00
CS0A	STP Office Supplies Ltd	1 Rookwood Way, Haverhill, CB9 8PB	8,074.38
CS0B	Stylize Digital Artwork	3 Hollands Road, Haverhill, Suffolk, CB9 8PU	42.00
CS0C	Suffolk Life	153 Princes Street, Ipswich, Suffolk, IP1 1QJ	229.55
CT00	Technology To Go	31-33 Chapel Hill, Huddersfield, West Yorkshire, HD1 3ED	24,154.45
CT01	TKS Plumbing & Heating Services	11 Allington Walk, Haverhill, Suffolk, CB9 9AT	69.36
CT02	Total Gas & Power	Bridge Gate, 55-57 High Street, Redhill, Surrey, RH1 1RX	5,463.98
CU00	UFP UK Limited	Enterprise House, Roydsdale Way, Euroway Trading Estate, Bradford, BD4 6SE	158.20
CU01	Unibind Sytems Limited	The Manor, Graylands, Langhurst Wood Road, Horsham, RH12 4QD	36.51
CV00	Vision Technologies (UK) Ltd	Unit 14, Progress Business Park, 55 Progress Road, Leigh-on-Sea, SS9 5PR	249.33
CW00	Westcoast Limited	Arrowhead Park, Arrowhead Road, Theale, Reading, Berkshire RG7 4AH	230.03
CX00	Express Group Limited	College Business Park, Kearsley Road, Ripon, HG4 2RN	2,178.85
73 Entries Totalling			674,408.45

Peters Elworthy & Moore
Kerbury Limited
B1 - Company Creditors - Employees & Directors

Key	Name	Address	Pref £	Unsec £	Total £
EC00	Mr Owen Carter	4 Burton Close, Haverhill, Suffolk, CB9 9AA	928.44	223.29	1,151.73
EC01	Miss Annette Cook	70 Highfields, Clare, Sudbury, Suffolk, CO10 9PQ	560.95	2,625.25	3,186.20
EC02	Miss Jasmine Simmons	45 St Pauls Drive, Kedington, Haverhill, Suffolk, CB9 7HS	891.36	540.22	1,431.58
EG00	Mr Mark Goulding	1 Les Ager Drive, Haverhill, Suffolk, CB9 OBS	1,768.80	18,518.36	20,287.16
EG01	Mr Lee Goulding	47 Codling Road, Bury St Edmunds, Suffolk, IP32 7HE	1,375.34	5,559.43	6,934.77
ER00	Mr David Rawlings	1 Teasel Close, Haverhill, Suffolk, CB9 9EA	929.39	493.94	1,423.33
ES00	Mrs Belinda Sale	5 Larks Rise, Sandy, Beds, SG19 2TU	202.56	1,958.08	2,160.64
ES01	Mr Robert Stevenson	1 Rookwood Way, Haverhill, CB9 8PB	1,884.15	21,177.03	23,061.18
ES02	Miss Emily Stevenson	1 Rookwood Way, Haverhill, CB9 8PB	79.74		79.74
ET00	Miss Lorna Thompson	6 Belmont Court, Haverhill, Suffolk, CB9 8LN	1,121.42	8,451.05	9,572.47
10 Entries Totalling			9,742.15	59,546.65	69,288.80

Peters Elworthy & Moore
Kerbury Limited
B2 - Company Creditors - Consumer Creditors

Key	Name	Address	£
0 Entries Totalling			0.00

KERBURY LIMITED

Notes to Directors' Estimated Statement of Affairs As at 14 August 2017

1. Goodwill/Natwest Bank

The estimated to realise value of the goodwill is uncertain and will depend on any offers made to the liquidator.

Natwest Bank Plc are owed £31,158 and hold fixed and floating charges over the company's assets and it is likely that any realisation from goodwill will fall under the fixed charge.

2. Invoiced Discount Book Debts/RBSIF

The Company's debtors are subject to a confidential invoice financing agreement with RBSIF who also hold fixed and floating charges over the company's assets. The liquidator appointed will review the security documentation. The director has advised that he provided a personal guarantee to RBSIF limited to £25,000.

Current outstanding debtors total £326,727 of which £90,400 is disapproved and following an audit a further £93,275 was identified as "fresh air invoices" and are not collectable. From the remaining balance a general provision of 25% has been applied, resulting in an estimated realisable balance of £107,289. RBSIF is currently owed approximately £217,000 and therefore a shortfall of approximately £109,711 is likely.

3. IT Equipment/Lombard

The Company has items which mostly consist of IT equipment which are subject to a hire purchase agreement with Lombard. The directors estimate that these items will realise £1,000 which after taking into account the £10,524 outstanding to Lombard, results in a shortfall of £9,524.

4. Leasehold Improvements

The Company's balance sheet details leasehold improvements with a book value of £12,990. Due to the nature of this asset there is likely to be no realisable value.

5. Plant & Machinery, Fixtures & Fittings

The Company has plant and machinery, together with fixtures and fittings with a book value of £20,533. The directors estimate these items have a realisable value of £1,000.

6. Motor Vehicles

The Company has a number of leased motor vehicle as well as one unencumbered vehicle. The unencumbered vehicle is a Mercedes Vito Van with a book value of £566 the director estimates that this has an estimated to realise value of £750.

7. Stocks

The Stock comprises a number of elements, including historic stationery stock held, and machines at customers with a total book value of £158,635. The directors have estimated that the stock will realise £22,000, but the value will depend upon a buyer being found for the contracts.

8. Employees

The company has ten employees who have been given notice of redundancy.

Employees of the company have a preferential claim in respect of the first £800 arrears of pay together with accrued holiday pay. Claims in respect of redundancy pay and pay in lieu of notice form unsecured claims in the liquidation.

9. Other Lenders

In addition to the bank the Company had borrowed money from a number of lenders totalling £161,615.

10. Stevenson Barber Ltd

The sum of £49,000 was loaned to the Company by Stevenson Barber Ltd a Company controlled by a relative of Mr Stevenson. A further £16,400 is owed to the company in its capacity as landlord in respect of rent arrears

11. HM Revenue & Customs – VAT & PAYE/NIC

The Company owes £4,546 in respect of PAYE/NIC.

There is an estimated further £34,762 outstanding in respect of VAT for the current period. However, this liability may be substantially reduced as there are a number of credit notes which may be raised in respect of the "fresh air invoices", subject to the agreement with RBSIF.