

## The Insolvency Act 1986

## Statement of administrator's proposals

2.17B

Name of Company Find the Three Daughters Limited	Company number 02785866
In the High Court of Justice, Chancery Division, Birmingham District Registry (full name of court)	Court case number 8007 of 2012

(a) Insert full name(s) and  
address(es) of administrators

We (a) Matthew Ingram and John Neville Whitfield  
Duff & Phelps Ltd  
35 Newhall Street  
Birmingham  
B3 3PU

attach a copy of \*my/our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

\* Delete as appropriate

(b) Insert date

(b) 24 February 2012

Signed

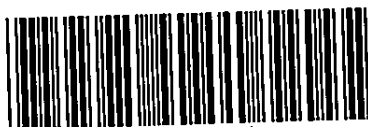
Joint/Administrator(s)

Dated 24 February 2012

## Contact Details

You do not have to give any  
contact information in the box  
opposite but if you do, it will help  
Companies House to contact you  
if there is a query on the form  
The contact information that you

Duff & Phelps Ltd  
35 Newhall Street  
Birmingham  
B3 3PU  
  
Tel T 0121 214 1120



A18

\*A13NSWXV\*  
28/02/2012  
COMPANIES HOUSE

#65

Completed and signed this form please send it to the Registrar of Companies at

150, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff

**Find the Three Daughters Limited  
(In Administration)**

**Joint Administrators' Report to Creditors and Statement of Proposals  
For the period from 6 January 2012 to 23 February 2012  
pursuant to Paragraph 49 of Schedule B1  
to the Insolvency Act 1986**

**23 February 2012**

<b>Names of Joint Administrators</b>	Matthew Ingram  John Whitfield
<b>Date of appointment:</b>	6 January 2012
<b>Date of report.</b>	23 February 2012
<b>Appointed by:</b>	Easy Invoice Finance Limited 4 Regency Chambers Jubilee Way Bury Lancashire BL9 0JW
<b>Court reference:</b>	High Court of Justice Chancery Division Birmingham District Registry Court number 8007 of 2012

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Duff & Phelps Ltd  
35 Newhall Street  
Birmingham  
B3 3PU

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## DEFINITIONS

"the Company"	Find the Three Daughters Limited (In Administration) (Company Number 02785866),
"Appointment Date"	6 January 2012, being the date of appointment of the Joint Administrators over the Company,
"the Joint Administrators"	Matthew Ingram and John Whitfield of Duff & Phelps Ltd, 35 Newhall Street, Birmingham, B3 3PU,
"the Director"	Jessica Muldoon, the Company's director,
"Barclays"	Barclays Bank plc, the Company's bankers and the holder of a fixed charge over the property situated at 40-41 MacDonald Street, Birmingham, B5 6TG, and the holder a second ranking fixed and floating charge over all other assets of the Company,
"Easy"	Easy Invoice Finance Limited, the provider of an invoice discounting facility and trade stock loan facility to the Company Easy have a fixed charge over book debts and a prior ranking fixed and floating charge over all other assets, except the property,
"Hilco"	Hilco Appraisal Limited, agents instructed to value the Company's plant and machinery and the stock sold prior to the Appointment Date,
"Proposed Liquidator"	Panos Eliades Franklin and Co, Olympia House, Armitage Road, London, NW11 8RQ,
"GVA"	GVA Grimley Limited, agents instructed to value the property situated at 40-41 MacDonald Street, Birmingham, B5 6TG,
"Find3D"	Find3D Limited (Company number 07873217), a company incorporated by Les Drain, the father of the Director, to continue the business,
"SoA"	Statement of Affairs,
"EFP"	Estimated Financial Position,
"EC Regulation"	EC Regulation on Insolvency Proceedings 2000;
"the Act"	the Insolvency Act 1986, as amended,
"RPO"	Redundancy Payments Office,
"the Rules"	the Insolvency Rules, as amended, and
"CVL"	Creditors' Voluntary Liquidation

## **1. INTRODUCTION**

- 1 1 Matthew Ingram and John Whitfield of Duff & Phelps Ltd were appointed Joint Administrators of the Company on 6 January 2012 by Easy Invoice Finance Limited, the holder of a qualifying floating charge under Paragraph 14 of Schedule B1 to the Insolvency Act 1986
- 1 2 In accordance with Paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the Joint Administrators are being exercised by any of the Joint Administrators
- 1 3 This report sets out the circumstances leading up to the appointment of the Joint Administrators and the steps taken by them to date

## **2. BACKGROUND**

- 2 1 The Company was incorporated on 2 February 1993 Les Drain, the father of the current Director, was the founder of the Company Statutory information on the Company and a summary of its financial position is included at Appendix 1
- 2 2 The Company distributed metal manufactured memorabilia including wall plaques and small tins in designs such as 'Hello Kitty', 'Visit London' and 'Keep Calm and Carry On' A number of the designs were reproduced under license from various companies and individuals The Company did not own any copyright licences or designs itself
- 2 3 Historically, designs were created, sourced or modified by the Company and subsequently sent to a regular UK supplier to manufacture the product Due to escalating costs and the abundance of cheaper manufacturers abroad, the Company made the transition to sending their designs abroad, namely to China, to be manufactured This transition occurred within 18 months of the Appointment Date
- 2 4 The Company operated from a freehold site in Highgate, Birmingham
- 2 5 The Company was financed by a loan provided by Barclays, which was secured by a mortgage against the freehold property and a second ranking floating charge over other assets It was also provided with an invoice discounting facility and a stock facility by Easy, who also held the prior ranking floating charge

## **3. EVENTS LEADING UP TO THE ADMINISTRATION**

- 3 1 According to the Company's accounts, the Company has been consistently profitable, with profits peaking in 2010 at £449,100 Turnover has also seen a yearly increase, reaching £1,975,135 in 2010 However, the Company's turnover contracted in 2011 by c£300,000 and a loss of £350,170 was reported
- 3 2 A number of factors have been brought to the Joint Administrators' attention that have contributed to the financial decline of the business
- 3 3 A lack of managerial, financial and costing control resulted in orders being placed in vast quantities, for products that were not proved saleable or of reasonable quality
- 3 4 The transition to sourcing products from abroad also impacted on the quality of the Company's stock Various issues arose particularly in relation to inferior quality goods which resulted in loss making transactions with some of the Company's biggest customers

- 3 5 Furthermore, there were issues in getting products delivered from China in time to distribute to customers. This resulted in large contractual claims that could dramatically decrease profit margins.
- 3 6 In December 2011, with the Company Director absent from the business for personal reasons, Mr Les Drain established that the Company creditor ledger totalled c£750,000. In addition to the loss shown in the 2011 accounts, the Company concluded that they needed to obtain professional advice.
- 3 7 In mid December, the Company approached an independent Insolvency Practitioner and took steps to place the Company into Creditors' Voluntary Liquidation. Following this decision, all stock belonging to the Company was sold to Les Drain, the director of Find3D, for a sum of £60,000 plus VAT on 21 December 2011. At this time, the Company effectively ceased to trade. Further information regarding the transaction can be found in Section 5.
- 3 8 Notice of the proposed Liquidation was sent to all known creditors. Subsequently, on receipt of this information, Easy approached Duff & Phelps Ltd and, under their floating charge, requested that Matthew Ingram and John Whitfield be appointed as Joint Administrators.
- 3 9 Having regard to the Insolvency Practitioners' Association's ethical guidelines, it was considered that there were no circumstances preventing the Joint Administrators accepting the appointment. Matthew Ingram and John Whitfield were appointed Joint Administrators on 6 January 2012.
- 
- 3 10 It should be noted by the creditors that Find3D began to trade from the Company's premises from 3 January 2012.

#### **4. PURPOSE OF THE ADMINISTRATION**

- 4 1 The purpose of an Administration is to achieve one of the following hierarchical objectives:
- Rescuing the Company as a going concern, or
  - 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
  - Realising property in order to make a distribution to one or more secured or preferential creditors.
- 4 2 In accordance with paragraph 49(2) of the Insolvency Act 1986, the Joint Administrators believe that the second objective will be achieved. The detailed explanation for this is contained within the following sections of this report but, in summary, the reason is that placing the Company into Administration, rather than CVL, enables realisation of the remaining assets on a going concern basis and provides continuity to the customers of the company, which will yield a greater return for creditors.
- 4 3 Whilst the sale of stock prior to the Appointment Date diminishes the opportunity to trade the business as a going concern, the Administration allows underlying value to be retained and for the residual assets of the business to be sold at a fair value.

**5. PROGRESS OF THE ADMINISTRATION TO DATE**

- 5 1 The manner in which the affairs and business of the Company have been managed since the appointment of Joint Administrators and will continue to be managed and financed are set out below

**Administration period**

- 5 2 On appointment, the Joint Administrators' staff attended the Company's premises in Highgate, Birmingham to advise the director and employees of the appointment and to secure the property
- 5 3 On arrival, the Joint Administrators were informed that the Company was no longer trading and Find3D were informally occupying the premises. The Joint Administrators secured the premises whilst further clarification of the situation was undertaken

**Stock**

- 5 4 As stated in section 3.7, following the Joint Administrators' appointment, they were advised that all stock had been sold to Find3D a company operated by Mr Les Drain. The stock was sold for £60,000 plus VAT
- 5 5 The Joint Administrators instructed Hilco to value the stock that had been sold to Les Drain to ascertain whether fair value had been paid. Subsequently, Hilco confirmed that the stock had been sold for fair market value and had achieved a figure higher than would have been obtained on a break up basis
- 5 6 Consideration of £40,000 had been paid to the Proposed Liquidator and £24,000 was deposited into the Company's current account, in order to reduce its overdraft. The remaining £8,000 remains due from Les Drain and the Joint Administrators have requested this sum be remitted to the Administration estate. To date this has not been received
- 5 7 Of the £40,000 paid to the Proposed Liquidator, £27,985 has been transferred to the Administration account. An amount of £10,000 plus VAT and disbursements drawn by the Proposed Liquidator in respect of fees agreed with the Company for pre-appointment work undertaken has been retained by the Proposed Liquidator. A copy of the documentation to support the Proposed Liquidators fees has been requested but not provided to date
- 5 8 The amount received by the Joint Administrators is reflected on the Receipts and Payments Account as a debtor receipt since it represents a collection from a paid invoice

**Book debts**

- 5 9 Easy provided an invoice discounting facility to the Company and, therefore, has a fixed charge over the Company's debtor ledger
- 5 10 As at the Appointment Date, the Company's debtor ledger was c£91,000 and the total indebtedness to Easy is c£115,000, which includes an amount advanced against a trade finance agreement. Easy will be collecting the ledger and it is anticipated that there will be a significant shortfall in this regard as a result of bad debts and disputes

**Freehold property**

- 5 11 The Company owns the premises located at 40-41 MacDonald Street, Birmingham, B5 6TG, the Company's trading address



- 5 12 Following the appointment of Joint Administrators, GVA were instructed to value the property
- 5 13 Find3D were operating from the premises from 3 January 2012. On appointment, Les Drain indicated that he wished to purchase the property, therefore, it was agreed that Find3D could remain in occupation whilst a purchase of the property was negotiated and a Licence to Occupy was issued on a rolling one month basis. Rent of £1,000 plus VAT per month was agreed.
- 5 14 The license was extended for one month as an offer of £173,226 has been received from Mr Drain. GVA have recommended this offer be accepted, in line with their initial valuation.
- 5 15 Since acceptance of the offer on 7 February 2012, progression of the sale has been disappointing. The Joint Administrators are considering any further requests to extend the licence to occupy the premises in light of progression made with the property sale to Find 3D.
- 5 16 It is the Joint Administrators intention to instruct GVA to market the property for sale if the offer made by Find 3D is not substantially progressed in the very near future.

#### **Plant and machinery and intellectual property**

- 5 17 The Company owns a Mercedes Sprinter van and minimal plant and machinery (which consists of furniture, computer equipment and racking).
- 5 18 ~~A number of the Company's assets were claimed to be owned by a third party connected to the Company Director, in relation to monies advanced to the Company prior to it proposing insolvency proceedings. The Joint Administrators have requested supporting documentation to evidence the transaction in which the assets were transferred. To date, this has not been forthcoming.~~
- 5 19 The Joint Administrators have received an offer of £10,000 plus VAT for the Company's plant and machinery from Find3D. Find 3D are aware of the third party claim to certain assets.
- 5 20 Since accepting this offer on 7 February 2012 and issuing an invoice to complete the sale, funds are yet to be received by the Joint Administrators.
- 5 21 The Joint Administrators are continuing to pursue payment of the outstanding invoice in relation to this asset sale.

#### **Employees**

- 5 22 Following the appointment of the Joint Administrators, Les Drain advised that all employees had been transferred to Find3D following the sale of stock in December 2011.
- 5 23 No documentation was provided to substantiate this claim, therefore the Joint Administrators made the employees redundant on the Appointment Date. The employees continue to be retained by Find3D and any claims that they had against the Company will transfer to Find3D under the Transfer of Undertaking and Protection of Employment Regulations Act.

#### **Investigations**

- 5 24 The Joint Administrators' investigations into the Company's affairs are currently ongoing.
- 5 25 The Joint Administrators have a statutory obligation to file a report with the Insolvency Service regarding the conduct of the directors that held office in the three years prior to the Administration. This report must be filed within six months from the appointment date and the content of this report is confidential.

- 5 26 The Joint Administrators also have a duty to investigate antecedent transactions which include
- Transactions at an undervalue, s238 of the Insolvency Act 1986,
  - Preferences, s239 of the Insolvency Act 1986,
  - Transactions to defraud creditors, s423 of the Insolvency Act 1986, and
  - Wrongful Trading, s214 of the Insolvency Act 1986
- 5 27 The Administrators have commenced detailed investigations into the Company's affairs and transactions that have occurred in the period leading up to the Appointment Date
- 5 28 The Joint Administrators will consider and advise creditors of the most appropriate exit route from Administration in the event that they conclude further realisations may be achievable as a result of their investigations

#### **Receipts and Payments**

- 5 29 A detailed Receipts and Payments account is shown in Appendix 2
- 5 30 The Receipts and Payments account excludes the collection of pre appointment book debts, which are being collected by Easy, as these are subject to an invoice discounting agreement and are therefore an assigned asset of the Company

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#### **Joint Administrators' Agents and Solicitors**

- 5 31 The Joint Administrators engaged the following firms to assist with the sale of the Company's business and assets and other statutory matters

<b>Company</b>	<b>Role</b>
GVA Grimley Limited	Agents and Valuers – instructed to value the property situated at 40-41 MacDonald Street, Birmingham, B5 6TG
Hilco Appraisal Limited	Agents and Valuers – instructed to value the Company's plant and machinery and stock
Shakespeares	Solicitors – assisting with placing the Company into Administration and providing security advice

The Joint Administrators' choice of those instructed was based on their perception of the ability and experience to perform this type of work, the complexity and nature of the assignment and the basis of the Joint Administrators' fee arrangement with them

## **6 STATEMENT OF AFFAIRS**

- 6 1 In accordance with Paragraph 47 of Schedule B1 to the Insolvency Act 1986, the Joint Administrators have requested that the Director provide them with a SoA of the Company
- 6 2 A SoA has yet to be received from the Director, however, the Joint Administrators are in correspondence with Ms Muldoon regarding its submission
- 6 3 Attached at Appendix 3 is an EFP for the Company Please note that this information is estimated from information provided to us from the Company's records The Joint Administrators do not warrant its accuracy
- 6 4 A schedule of creditors' names and addresses is attached at Appendix 4 Some creditor amounts shown may differ from the actual amount owed This does not affect their claim

## **7. JOINT ADMINISTRATORS' COSTS**

- 7 1 In accordance with Statement of Insolvency 9, the time costs charged during the period from 6 January 2012 to 17 February 2012 by the Joint Administrators and their staff are analysed at Appendix 5 Time costs to 17 February 2012, being the most practical date, total £32,924 50
- 7 2 No remuneration has been paid to the Joint Administrators to date It is proposed that the basis of the Joint Administrators' remuneration be fixed by reference to the time costs incurred in dealing with matters arising in respect of the Administration
- 7 3 Information regarding the fees of administrators called a Creditors' guide to Administrators' fees can be found on our website at <http://www.duffandphelps.com/uk-restructuring/creditor-guides> Should you require a copy, please contact this office

## **8 DIVIDEND PROSPECTS / PRESCRIBED PART**

### **Secured Creditors**

#### ***Easy***

- 8 1 ~~In consideration for the monies advanced under the invoice discounting agreement and trade finance agreement, the Company granted Easy a fixed charge over the book debts of the Company and a prior ranking fixed and floating charge over all other assets of the Company, except for the property~~
- 8 2 At the date of the Joint Administrators' appointment, the Company's indebtedness to Easy was approximately £115,000, subject to accruing interest and charges
- 8 3 There will not be sufficient realisations to repay Easy in full

#### ***Barclays***

- 8 4 The Company also granted a legal mortgage to Barclays which confers a fixed charge over the property and a second ranking charge over all other fixed and floating assets of the Company
- 8 5 Barclays are owed c £200,000, also subject to accruing interest and charges
- 8 6 It is anticipated that there will be insufficient realisations to repay Barclays in full

### **Preferential Creditors**

- 8 7 It is anticipated there will not be any employee preferential claims in the Administration as all employees have been subsequently employed by Find3D
- 8 8 Due to the uncertainty with when the transfer of employment occurred, the Joint Administrators made all employees redundant from the Company at the Appointment Date
- 8 9 The Joint Administrators have been advised that employees intend to make a claim to the RPO in respect of outstanding holiday pay
- 8 10 It is likely that the RPO will assume that all employees have been transferred under the Transfer of Undertakings (Protection of Employment) regulations and that Find3D will be assumed to have adopted all employee contracts

- 8 11 The Joint Administrators are currently awaiting confirmation from the RPO, in this regard

**Prescribed Part**

- 8 12 Pursuant to section 176A of the Insolvency Act 1986 where a floating charge is created after 15 September 2003, a prescribed part of the Company's net property shall be made available to unsecured creditors
- 8 13 I am of the opinion, based on the current information, that there will be insufficient floating charge realisations to enable to distribution to non-preferential creditors
- 8 14 The prescribed part is calculated as a percentage of net property, as follows -

Net property less than £10,000	50%
Net property greater than £10,000	50% up to £10,000 plus 20% thereafter

- 8 15 The maximum value of the ring-fenced proportion of the funds, known as the prescribed part, is £600,000

**Non-Preferential Creditors**

- 8 16 According to the Company's books and records, non-preferential creditors can be summarised as follows

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	£
Trade and Expense Creditors	611,969
HM Revenue & Customs	170,438
<b>Total</b>	<b>782,407</b>

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- 8 17 Based upon the current information available, it is anticipated that there will not be sufficient realisations to enable a distribution to the non-preferential creditors of the Company

**9 EC REGULATION**

- 9 1 It is the Joint Administrators' opinion that the EC Regulations apply and these proceedings are main proceedings as defined in Article 3 of the EC Regulation. The centre of main interest of the Company is in England

**10. CREDITORS' MEETING**

- 10 1 ~~In accordance with Paragraph 52(1) of Schedule B1 to the Insolvency Act 1986, a creditors' meeting will not be convened as the Joint Administrators believe that the Company will have insufficient property to enable a distribution to be made to non-preferential creditors~~
- 10 2 However, the Joint Administrators shall summon an initial creditors' meeting, if requested to by the creditors of the Company, whose debts amount to at least 10% of the total debts of the Company, using the prescribed form 2 21B, attached at Appendix 7, within 8 business days from the date of this report
- 10 3 Creditors are reminded that the costs of any meeting called shall be paid for by them and that a deposit will be required for such purpose. Such costs may be ordered to be paid as an expense of the Administration if the meeting so resolves

## **11. END OF THE ADMINISTRATION**

11 1 The options available to the Joint Administrators for the exit from the Administration are as follows

- Compulsory Liquidation
- Creditors' Voluntary Liquidation
- Company Voluntary Arrangement
- Return of control to the Director
- Dissolution of Company

11 2 The Joint Administrators recommend that, following detailed investigation into the Company's affairs, the Company should be moved into Compulsory Liquidation, for the reasons set out below

11 3 The Joint Administrators have formed the view that once all the outstanding Administration matters have been finalised, and all liabilities incurred during the Administration have been discharged, there will be insufficient funds available to allow a distribution to unsecured creditors

11 4 However, there may be a number of transactions identified that will need to be considered by a Liquidator, therefore as there will be no funds to place the Company into CVL, the Company will need to be placed into Compulsory Liquidation

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11 5 In the event that following the Joint Administrators' investigations, it is not deemed appropriate to place the Company into Compulsory Liquidation, then the Joint Administrators recommend that the Company be dissolved. In this event, it is proposed that once all outstanding matters have been satisfactorily completed, the Joint Administrators will give notice to the Registrar of Companies under Paragraph 84 of Schedule B1 to the Act to the effect that the Company has no property to realise which might permit a distribution to its unsecured creditors, at which stage the Administration will cease. The Company will be dissolved three months following the registration of the notice at the Registrar of Companies

11 6 You will note from the proposals section below that the Joint Administrators have left the choice of exit route from Administration open so that an alternative strategy can be adopted, should this prove more appropriate at the time

## **12. JOINT ADMINISTRATORS' PROPOSALS**

12 1 The Joint Administrators propose the following

12 1 1 That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect

12 1 2 That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration

12 1 3 That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under paragraph 84 of Schedule B1 of the Act to the Registrar of Companies to the effect that the Company has no property which might permit a distribution to its creditors, at which stage the Administration will cease

- 12 1 4 That the Joint Administrators, when it is anticipated that no better realisations will be made in the Administration than would be available in a winding up, take the necessary steps to put the Company into either CVL, Company Voluntary Arrangement or into Compulsory Liquidation as deemed appropriate by the Joint Administrators. It is proposed that a further meeting will be convened to determine who should act as Joint Liquidators should the Company be placed into CVL or Compulsory Liquidation. Any act required or authorised under any enactment to be done by the Liquidator is to be done by all or any one or more of the persons for the time being holding the office in question.
- 12 1 5 That the Joint Administrators be discharged from all liability pursuant to paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing.
- 12 1 6 That the Joint Administrators' remuneration, where no Creditors' Committee is established, be fixed by reference to the time properly incurred by them and their staff in attending matters during the Administration and that they be allowed to draw such remuneration as and when funds permit without further recourse to the creditors of the Company.
- 12 1 7 That the Joint Administrators be authorised to draw their firm's internal costs, being cost of business mileage, in dealing with the Administration (Category 2 Disbursements).
- 12 2 Pursuant to Rule 2 33(5) of the Insolvency Rules 1986, the proposals in paragraph 13 1 shall be deemed to be approved by the creditors on the expiry of the period in which a meeting can be requisitioned by creditors in the manner described in paragraph 10 2 above, provided that no meeting has been so requisitioned.
- 12 3 The Joint Administrators will be seeking the following resolutions from the secured creditors:
- 12 3 1 That the Joint Administrators be discharged from all liability pursuant to paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing.
- 12 3 2 That the Joint Administrators' remuneration, where no Creditors' Committee is established, be fixed by reference to the time properly incurred by them and their staff in attending matters during the Administration and that they be allowed to draw such remuneration as and when funds permit without further recourse to the creditors of the Company.
- 12 3 3 That the Joint Administrators be authorised to draw their firm's internal costs, being cost of business mileage, in dealing with the Administration (Category 2 Disbursements).
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**13. OTHER MATTERS**

- 13.1 If any creditor has any information concerning the Company's affairs that they would like to bring to the Joint Administrators' attention, then we should be pleased to hear from them

If you require further information or assistance, please do not hesitate to contact Charlotte Crawford of this office



**Matthew Ingram**  
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Matthew Ingram and John Whitfield, who act as agents for the Company and without personal liability

**APPENDIX 1**  
**Statutory Information**



# STATUTORY INFORMATION

Date of incorporation 2 February 1993

Registered number 02785866

Company director Jessica Muldoon

Shareholders Jessica Muldoon – 850 Ordinary Shares  
Emma Drain – 75 Ordinary Shares  
Unity Lamb – 75 Ordinary Shares

Trading address 40-41 MacDonald Street  
Highgate  
Birmingham  
B5 6TG

## Registered Office

### Current

### Formerly

35 Newhall Street  
Birmingham  
B3 3PU

40-41 MacDonald Street  
Highgate  
Birmingham  
B5 6TG

## Any Other Trading Names

None

## Financial information

Year Ended 28  
February 2011

Year Ended 28  
February 2010

Year Ended 28  
February 2009

£

£

£

Turnover

1,671,315

1,975,135

1,123,266

Gross Profit

140,620

762,166

436,546

Retained

profit/(loss)

(338,838)

191,700

110,268

for the year

**APPENDIX 2**  
**Receipts and Payments Account for the Period 6 January 2012 to 23 February 2012**

**Find the Three Daughters Limited  
(In Administration)**

**Income and Expenditure Account  
To 23 February 2012**

	Fixed Charge £	Floating Charge £	Total £
<b>INCOME</b>			
Licence Income	2,000.00		2,000.00
Book debt receipt re: of sale stock	27,985.00		27,985.00
Insurance Refund		521.01	521.01
Bank Interest Gross		0.64	0.64
Sundry refund		126.00	126.00
	<b>29,985.00</b>	<b>647.65</b>	<b>30,632.65</b>
<b>EXPENDITURE</b>			
Security	1,526.00		1,526.00
Stationery & Postage		58.26	58.26
Storage Costs		744.60	744.60
Re-Direction of Mail		27.20	27.20
Statutory Advertising		76.50	76.50
	<b>1,526.00</b>	<b>906.56</b>	<b>2,432.56</b>
<b>Balance</b>	<b>28,459.00</b>	<b>(258.91)</b>	<b>28,200.09</b>

**MADE UP AS FOLLOWS**

VAT Receivable	175.87
Fixed bank account	2,400.00
Floating/main current account	25,719.02
Fixed charge VAT receivable	105.20
Fixed charge VAT payable	(200.00)
	<b>28,200.09</b>

**APPENDIX 3**  
**Estimated Financial Position**

**Find the Three Daughters Limited (In Administration)**

**Summary of the Estimated Financial Position of the Company as at 6 January 2012**

	Book Value £	Estimated to Realise (£)	Notes
<b><u>Assets subject to fixed charge</u></b>			
<b>Barclays</b>			
Freehold property	200,000	173,226	1
Less: Amount due to Barclays	(200,000)	(200,000)	2
	<u>0</u>	<u>(26,774)</u>	
<b>Easy</b>			
Book debts	91,000	38,000	3
Book debt - funds held by Proposed Liquidator	40,000	27,985	4
Less: Amount due to Easy	(115,000)	(115,000)	5
	<u>16,000</u>	<u>(49,015)</u>	
<b><u>Assets subject to floating charge</u></b>			
Plant and Machinery	19,369	10,000	6
<b>Total floating charge assets</b>	<u>19,369</u>	<u>10,000</u>	
<b>Preferential creditors</b>		0	7
<b>Amount available for Prescribed Part</b>		10,000	
<b>Prescribed Part</b>		<u>(5,000)</u>	
<b>Amount available for floating charge creditors</b>		5,000	
<b>Less: Deficiency as regards to Easy</b>		(49,015)	
<b>Less: Deficiency as regards to Barclays</b>		(26,774)	
<b>Estimated deficiency as regards to preferential and floating charge creditors</b>		<u>(70,789)</u>	
<b>Available for non-preferential creditors</b>		5,000	
Trade & Expense Creditors	(611,969)		
HM Revenue & Customs	(170,438)		
<b>Total liabilities</b>		<u>(782,407)</u>	8
<b>Estimated deficiency as regards to creditors</b>		(848,196)	
Issued and called up share capital		(1,000)	
<b>Estimated total deficiency as regards members</b>		<u>(849,196)</u>	

**Notes**

- Offer received from Les Drain of Find3D in respect of 40-41 Macdonald Street, Highgate, Birmingham, B5 6TG
- Amount due to Barclays under its fixed and floating charge
- The balance of the Company's debtor ledger as at the date of appointment and an estimated to realise value as advised by Easy
- The amount of £40,000 is in consideration of the sale of stock to Les Drain of Find3D and £27,985 has been transferred from the Proposed Liquidator, less fees plus VAT and disbursements
- Amount due to Easy under its fixed and floating charge
- Plant and machinery as per the Company's accounts dated 28 February 2011 £10,000 plus VAT has been offered in respect of these assets by Les Drain of Find3D
- No preferential claims are expected as TUPE regulations are expected to apply to the transfer of all employees to Find3D
- As per the Company's books and records
- This information is estimated from information that has been provided to us. The Joint Administrators do not warrant its accuracy. A Statement of Affairs for the Company has been requested from the directors but it has not been received to date.

**APPENDIX 4**  
**Schedule of Creditors**

**Duff & Phelps Ltd.**  
**Find the Three Daughters Limited**  
**B - Company Creditors**

Key	Name	Address	£
CA03	AOL Broadband	PO Box 255, Enfield, EN1 9QX	0.00
CA02	Arcadia Group Limited	Accounts Payable, Torre Road, Leeds, West Yorkshire, LS9 7DN	0.00
C 1G	Barclaycard Commercial	PO Box 3000, Teesdale Business Park, Stockton on Tees, TS17 6YG	0.00
C 1A	Barclays Bank plc	41 Woolwich New Road, London, SE18 6NU	0.00
C 1E	Birmingham City Council	Revenues and Benefits, PO Box 5, Birmingham, B4 7AB	8,285.00
C 0Y	BIRMINGHAM CITY COUNCIL -BIN	RESOURCES DIRECTORATE, REVENUES AND PAYMENTS, P.O. BOX 4092, BIRMINGHAM, B4 7AD	273.00
CB00	Britannic Fire & Security Systems	The Exchange, Haslucks Green Road, Shirley, Solihull, B90 2EL	0.00
C 1C	BT plc	Dept W, Durham TE, Providence Row, Durham, DH1 1RR	0.00
C 08	CAPS CASES LTD	STUDLANDS PARK INDUSTRIAL ESTATE, NEWMARKET, SUFFOLK, CB8 7AU	11,795.09
C 11	CARVILL & JOHNSON SOLICITORS	NORTHFIELD HOUSE, 735 BRISTOL ROAD SOUTH, NORTHFIELD, BIRMINGHAM, B31 2NG, ***DO NOT SEND****	180.00
C 0F	DAVID NEALE SURVEYORS LTD	CROSBY COURT, 28 GEORGE STREET, BIRMINGHAM, B3 1QG	4,983.75
C 00	Davis Turner & Co Ltd	Station Road, Coleshill, B46 1DT	1,354.11
C 01	Davis Turner Air Cargo Limited	Unit A1 Calder Way, Colnbrook, Berkshire, SL3 0BQ	3,614.06
CD00	Deventure Holder		0.00
C 01	DESPERATE ENTERPRISES	PO Box 604, Sharon Center OH, 44274, USA	34,061.86
C 0X	DETAILEXTRA LTD	MEDIA HOUSE, HALLIDAY'S YARD, RADCLIFFE ROAD, STAMFORD, PE9 1ED	336.00
C 0K	DHL	DHL EXPRESS LTD, PO BOX 527, 178-188 GREAT SOUTH WEST ROAD, HOUNSLOW, MIDDLESEX TW3 9LS	2,526.75
C 0A	DHL -7215800VN	HILLBLOM HOUSE, 1 DUKES GREEN AVENUE, FAGGS ROAD, FELTHAM, MIDDLESEX, TW14 0LR	8,380.37
C 04	DHL International (UK) Ltd	Customer Accounting, Ormital Park, 178-188 Great South West Road, Middlesex, TW4 6JS	16,303.43
C 19	Easy Invoice Finance Limited	Olympia House, Armitage Road, London, NW11 8RQ	0.00
C 05	EMAP *****addressee gone away***	EXHIBITION HOUSE, WARREN LANE, WOOLWICH, LONDON SE18 6BW	13,661.77
CE01	Emap Connect	PO Box 64724, Greater London House, Hampstead Road, London, NW1 7EJ	0.00
C 14	EON	Business Customer Service, PO Box 2010, NG1 9GQ	158.82
CE03	Euronet SAS	Viale Scarampo 49, 20148 Milano, Italy	0.00
CE02	European Stock Solutions Limited	c/o Cohen Cramer Solicitors, St George House, 40 Great George Street, Leeds, LS1 3DL	0.00
C 15	GELDARDS	THE ARC, ENTERPRISE WAY, NOTTINGHAM, NG2 1EN	149.20

**Duff & Phelps Ltd.  
Find the Three Daughters Limited  
B - Company Creditors**

Key	Name	Address	£
CH00	H M Revenue & Customs	Insolvency Operations, Queens Dock, Liverpool, Merseyside, L74 4AF	36,657.00
C 03	HARBORSIDE LOGISTICS LTD	GEORGE HOUSE, 121 HIGH STREET, HENLEY-IN-ARDEEN, SOLIHULL, B95 5AU	26,001.25
CH01	HM Revenue & Customs	VAT Local Office	0.00
CH02	HM Revenue & Customs	Enforcement & Insolvency Service, Durrington Bridge House, Worthing, West Sussex, BN12 4SE	133,781.00
CI01	HM Revenue & Customs	Accounts Office, St Mungo's Road, Cumbernauld, Glasgow, G67 1YZ	0.00
C 0R	INTERTEK LABTEST UK LIMITED	CENTRE COURT, MERIDIAN BUSINESS PARK, LEICESTER, LE19 1WD	864.00
C 0V	INTERTEK TESTING SERVICES HONG KONG LTD	ROOM 1-K, 11/F, GARMENT CENTRE, 576 CASTLE PEAK ROAD, KOWLOON, HONG KONG	440.00
C 0P	JO JO FASHION ACCESSORIES CO., LTD	2/F, NO.3 109TH BLDG, JIANGNAN 4TH DISTRICT, YIWU, ZHENJIANG 322000, CHINA	1,219.00
CK00	Knight Frank LLP	1 Colmore Row, Birmingham, B3 2BJ	0.00
C 0M	LIBERTY FABRICS LTD	REGENT STREET, LONDON, W1B 5AH	1,625.15
C 0E	LUP KEE METAL ORNAMENT FACTORY LTD	9/F, UNIT A4, YIP FUNG INDUSTRIAL BUILDING, 28-36 KWAI FUNG STREET, KWAI CHUNG, N.T. KOWLOON, HONG KONG	5,636.50
C 0J	MERIDIAN BUSINESS SUPPORT	Roberts House, Manchester Road, Altrincham, WA14 4PL	2,945.87
C 0Q	MODEL CREATIONS	70 OLD LONDON ROAD, ST ALBANS, HERTS, AL1 1QD	1,022.00
ED00	Mr Dave Marshall	21 Clapgate Lane, Woodgate, Birmingham, B32 3DR	0.00
C 1F	Mr John Muldoon	19 Chattock Avenue, Solihull, B91 2QX	0.00
CD01	Mr Les Drain	155 Pepys Road, London, SE14 5SG	0.00
EN00	Mr Matt Steward	101 Dovehouse Lane, Solihull, B91 2EQ	0.00
RM00	Ms Jessica Muldoon	4 Blythwood Close, Knowle, Solihull, B91 3HL	0.00
EI01	Ms Jessica Muldoon	4 Blythwood Close, Knowle, Solihull, B91 3HL	0.00
CJ00	Ms Joanna Leavy	57 Cropsey Road, West Heath, Birmingham, B31 3RB	0.00
EI00	Ms Joanna Willis	49 Meirdi Road, Oldbury, West Midlands, B67 2GE	0.00
EK00	Ms Kelly Powell	81 Priory Road, Hall Green, Birmingham, B28 0TG	0.00
EL00	Ms Luz Rutherford	Apt 21 Avoca Court, 144 Cheapside, Digbeth, Birmingham, B12 0PR	0.00
EN01	Ms Maria Stasiak	Apartment 1, 12 Porchester Street, Newtown, Birmingham, B19 2AD	0.00
CN00	Nicesheriffs	173/175 Cleaveland Road, London, W1T 6QR	0.00
C 0Z	NPOWER ELECTRIC	BIRCH HOUSE, JOSEPH STREET, OLDBURY, WEST MIDS, B69 2AQ	267.23
C 1D	ORANGE	SOUTHEND- ON-SEA, SS99 6LU	0.00
C 0W	PALLETLINE DISTRIBUTION LTD	LOGISTICS HOUSE, UNIT 6 BROMFORD CENTRAL, BROMFORD LANE, BIRMINGHAM, B8 2SE	369.84



**Duff & Phelps Ltd.**  
**Find the Three Daughters Limited**  
**B - Company Creditors**

Key	Name	Address	£
C 10	PARCEL FORCE	PETERBOROUGH BILLING CENTRE, BLENHEIM COURT, 2-3 PEPPERCORN CLOSE, PETERBOROUGH, PE1 2DU	203 50
C 08	PARCELPPOINT LIMITED T/A YODEL	WHISTON ENTERPRISE PARK, FALLOWAYS WAY, WHISTON, L35 1RZ	8,291.13
CF01	Premium Credit Limited	PO Box 350, Epsom, KT17 1WP	0.00
C 17	PRINTERFACE	6 MAGREAL ESTATE, FREETH STREET, BIRMINGHAM, B16 0QZ	120 00
C 06	PRIOR CUMBERIDGE AND PUGH SOLICITORS	1618/20 COVENTRY ROAD, YARDLEY, BIRMINGHAM, B26 1AL	13,650.00
C 0T	PRODOTO COM	UNIT 1,, DEAN HAY COUNTRY BUSINESS PARK, CRAGG ROAD, MYTHOLMROYD, HEDBEN BRIDGE, WEST YORKSHIRE, HX7 5RU	677.00
C 0G	PURE STAFF LIMITED	INTERNATIONAL HOUSE, STANFORTH STREET, ASTON, BIRMINGHAM, B4 7DN	4,371.40
C 02	REGENCY FACTORS PLC	2-3 REGENCY CHAMBERS, JUBILEE WAY, BURY, LANCASHIRE, BL9 0JW	0.00
C 0D	RICHARD STEVENSON	THE SPINNEY, OXTON HALL, SOUTHWELL, NOTTINGHAM, NG25 0RN	6,960.00
C 0S	ROLL RITE FORKLIFT SERVICES LTD	UNIT 4 GOLDEN HILLOCK IND ESTATE, 400 GOLDEN HILLOCK ROAD, SPARKBROOK, BIRMINGHAM, B11 2QG	764 49
C 0U	SAGE (UK) LTD	NORTH PARK, NEWCASTLE UPON TYNE,, NE13 9AA	496 80
C 07	SANRIO GMBH	Zwischen den Toren 9, 21465 Wentorf bei Hamburg, Germany	12,500.00
C 0H	Schenker Ltd	SCHENKER HOUSE, GREAT SOUTH WEST ROAD, FELTHAM, MIDDLESEX, TW14 8NT	3,875.08
C 18	Severn Trent Water Limited	Customer Relations, Sherbourne House, St Martins Road, Coventry, CV3 6SD	0.00
CS01	Severn Trent Water Limited	Customer Relations, Sherbourne House, St Martins Road, Coventry, CV3 6SD	0.00
C 12	SML GRESHAM	THE POTTING SHED, ARKWRIGHT ROAD, CORBY, NORTHAMPTONSHIRE, NN17 5AE	174.31
C 0L	SNATCHPAC LTD	83-85 WARWICK STREET, HIGHGATE, BIRMINGHAM, B12 0NH	1,668.74
C 13	STREAMLINE	GATESHEAD CARD CENTRE, PO BOX 27, VICTORY HOUSE, FIFTH AVENUE, GATESHEAD, NE8 1HU	162.77
CS02	Streamline Merchant Services	Gateshead Card Centre, Victory House, Fifth Avenue, Gateshead, NE11 0EL	0 00
C 0N	THE WESTMINSTER WIRE FACTORY LTD	UNIT 9, WESTMINSTER ROAD, WAREHAM, DORSET, BH20 4SN	1,413.00
C 09	TINPLATE PRODUCTS	THE OLD GRANARY, PINKNEY PARK, NR MALMESBURY, SN16 0NX	9,614.86
C 00	TINPLATE PRODUCTS LIMITED	THE OLD GRANARY, PINKNEY PARK, NR MALMESBURY, SN16 0NX	393,128.95
C 18	TNT EXPRESS UK LIMITED	P O BOX 4, RAMSBOTTOM, LANCs, BLO 9AR	99 03
C 0C	UPS LIMITED	UPS HOUSE, FOREST ROAD, FELTHAM, MIDDLESEX, TW13 7DY	7,207.68
C 16	VERIQUALITY INSPECTION SERVICE CO LTD	C Block ,3rd floor, No # 1 Building ,Lane 38, Da-Pu Road, (Haihua Garden), Luwang District, Shanghai,China	136.60

**APPENDIX 5**  
**Analysis of Time Charged and Expenses Incurred for the period 6 January 2012 to 17 February 2012**

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**FIND THE THREE DAUGHTERS LIMITED - ITE036**

**Analysis of Administrators' time costs for the period 06/01/2012 to 17/02/2012**

Classification of Work Function	Hours					Total Hours	Time Cost £	Av hourly Rate £
	Partner	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case review and Case Diary management		0.60	1.20	7.60		9.40	1,717.00	182.66
Cashiering & accounting		1.00	2.70	2.60	0.20	6.50	1,551.00	238.62
Dealings with Directors and Management	3.20	2.30	1.80	4.80		12.10	3,482.50	287.81
Insurance				2.00		2.00	320.00	160.00
IPS set up & maintenance		0.10	0.20			0.30	97.00	323.33
Statutory matters (Meetings, Reports and Notices)	6.00	2.90	3.70	26.60		39.20	9,001.00	229.62
Strategy planning & control	1.30	0.60	2.40	9.10		13.40	2,899.00	216.34
Tax Compliance/Planning				0.20		0.20	32.00	160.00
<b>Investigations</b>								
CDDA, reports & Communication				1.70		1.70	272.00	160.00
Financial review and Investigations (S238/239 etc)		0.70		3.00		3.70	693.50	187.43
<b>Realisation of Assets</b>								
Book debts				0.70		0.70	112.00	160.00
Freehold and Leasehold Property	2.70	0.10		2.60		5.40	1,742.50	322.69
Goodwill and Intellectual Property Rights				0.60		0.60	96.00	160.00
Other Intangible Assets				0.40		0.40	64.00	160.00
Plant, Machinery, Fixtures and Motor Vehicles			0.30	4.00		4.30	719.50	167.33
Stock and Work In Progress	1.20			2.10		3.30	912.00	276.36
<b>Trading</b>								
Trading - Retention of Title, Claims handling				0.50		0.50	80.00	160.00
<b>Creditors</b>								
Communications with Creditors/Employees	0.70	1.60		12.50		14.80	2,824.00	190.81
Non Pref Creditors/Employee claims handling	3.50			3.20		6.70	2,192.00	327.16
Secured Creditors	2.00	8.40	1.10	1.90		13.40	4,117.50	307.28
<b>Total Hours</b>	<b>20.60</b>	<b>18.30</b>	<b>13.40</b>	<b>86.10</b>	<b>0.20</b>	<b>138.60</b>		<b>237.55</b>
<b>Total Fees Claimed (£)</b>	<b>9,888.00</b>	<b>5,632.50</b>	<b>3,613.50</b>	<b>13,784.50</b>	<b>6.00</b>		<b>32,924.50</b>	

**APPENDIX 6**  
**Form 2.21B Creditor's Request for a Meeting**

Form 2 21B

Rule 2 37

## Creditor's request for a meeting

Name of Company  Find the Three Daughters Limited (In Administration) ("the Company")	Company number  02785866
In the High Court of Justice, Chancery Division, Birmingham District Registry	Court case number  8007 of 2012

(a) Insert full name and address of the creditor making the request

I (a)

(b) Insert full name and address of registered office of the company

request a meeting of the creditors of the Company

(b) Registered Office  
c/o Duff & Phelps Ltd  
35 Newhall Street  
Birmingham  
B3 3PU

(c) Insert amount of claim

My claim in the administration is (c)

(d) Insert full name(s) and address(es) of creditors concurring with the request (if any) and their claims in the administration if the Requesting creditor's claim is below the required 10%

(d)

concur with the above request, and I attach copies of their written confirmation of concurrence

(e) Insert details of the purpose of the meeting

The purpose of the meeting is (e)

Signed

Dated

**DUFF & PHELPS**

**APPENDIX 7**  
**Proof of Debt Form**

**Proof of Debt – General Form**

Find the Three Daughters Limited (In Administration)	
Date of Administration 6 January 2012	
1	Name of creditor (If a company please also give company registration number)
2	Address of creditor for correspondence
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into administration
4	Details of any documents by reference to which the debt can be substantiated (Note There is no need to attach them now but the administrator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting)
5	If amount in 3 above includes outstanding uncapitalised interest please state amount £
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)
7	Particulars of any security held, the value of the security, and the date it was given
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates
9	Signature of creditor or person authorised to act on his behalf
	Name in BLOCK LETTERS
	Position with or in relation to creditor
	Address of person signing (if different from 2 above)
<b>For Administrators' Use only</b>	
Admitted to vote for	Admitted for dividend for
£	£
Date	Date
Administrator	Administrator