

**The Insolvency Act 1986****Liquidator's Progress  
Report**

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

**S.192**

To the Registrar of Companies

For Official Use

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Company Number

02860590

Name of Company

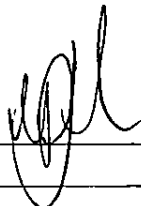
Embroidery Express Plc

I / We  
Adam Peter Jordan  
Bridge House  
Riverside North  
Bewdley  
Worcestershire  
DY12 1AB

Nickolas Garth Rimes  
Bridge House  
Riverside North  
Bewdley  
Worcestershire  
DY12 1AB

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

Signed



Date

11/1/2012

Rimes & Co  
Bridge House  
Riverside North  
Bewdley  
Worcestershire  
DY12 1AB

Ref EMBR0605/AJ/NR/KC

For Official Use

THURSDAY



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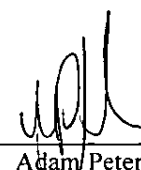
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COMPANIES HOUSE

**Embroidery Express Plc**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 12/11/2010 To 11/11/2011
	<b>ASSET REALISATIONS</b>	
3,250 00	Plant & Machinery	3,250 00
640 00	Furniture & Equipment	750 00
	Goodwill	500 00
998 00	Cash at Bank	NIL
	Business Rates Refund	478 16
	Bank Interest Gross	0 61
		<u>4,978 77</u>
	<b>COST OF REALISATIONS</b>	
	Preparation of S of A	3,743 86
	Prov Liquidators Fees	18 90
	Office Holders Fees	NIL
	Pension agents fees	250 00
	Accountants Fees	500 00
	Storage Costs	86 60
	Statutory Advertising	125 00
		<u>(4,724 36)</u>
	<b>PREFERENTIAL CREDITORS</b>	
(360 00)	Employees' Claims - Wages and Hol Pay	<u>NIL</u>
		NIL
	<b>UNSECURED CREDITORS</b>	
(3,713 00)	Trade & Expense Creditors	NIL
(18,727 00)	Employees' Claims - Notice and Red Pay	NIL
(1,723 00)	Director's Loan	NIL
(24,948 00)	HM Revenue & Customs - VAT	NIL
(37,866 00)	HM Revenue & Customs - PAYE	<u>NIL</u>
		NIL
	<b>DISTRIBUTIONS</b>	
(50,000 00)	Ordinary Shareholders	<u>NIL</u>
		NIL
<u>(132,449.00)</u>		<u><u>254.41</u></u>
	<b>REPRESENTED BY</b>	
	Vat Receivable	871 60
	Bank I Current	82 81
	Vat Payable	(700 00)
		<u>254.41</u>
		<u><u>254.41</u></u>

  
Adam Peter Jordan  
Joint Liquidator

## TO THE MEMBERS AND ALL KNOWN CREDITORS

Our Ref EMBR0605/NR/AJ/KC/H1

6 January 2012

Dear Sirs

**Embroidery Express Plc – In Liquidation (“the Company”)**

**Registered Number: 02860590 Registered office: As Bewdley address below**

Further to my appointment as Joint Liquidator by the members and creditors of the Company on 12 November 2010 I am writing to provide the first progress report on our administration of the estate in accordance with Section 104A of the Insolvency Act 1986, as amended (“the Act”)

### **Receipts and payments account**

I enclose at Appendix A the Joint Liquidators’ Abstract of Receipts and Payments for the period 12 November 2010 to 11 November 2011 showing asset realisations in the Liquidation and how they have been disbursed

### **Asset realisations**

#### **Tangible Assets**

The Company’s tangible assets consisted of office furniture, equipment, plant and machinery and were estimated to realise £3,890. Subsequent to my appointment I received an offer in the sum of £4,000 plus VAT from Workwear Limited (“Workwear”). After consultation with independent agents this offer was accepted and the purchase consideration was received on 6 December 2010.

#### **Intangible Assets**

Following my appointment an offer of £500 was also made by Workwear for the goodwill of the business, which was subsequently accepted.

In accordance with Statement of Insolvency Practice 13, I am obliged to inform creditors of the acquisition of assets of a company by Directors or parties connected with them. Workwear is a company of which Mr Jeremy Yarwood, a Director of Embroidery Express Plc, is a Director.

## **Sundry refund**

The sum of £478 16 has been received in respect of a business rates refund.

## **Cash at Bank**

At the date of my appointment the company held a bank account with HSBC Bank Plc which had a credit balance of £998 49. Although these funds have been requested they have yet to be received and I am currently pursuing the transfer of these funds.

## **Bank interest**

Funds realised have been held on an interest bearing account and 61p has been received gross of taxation.

## **Investigations**

Our statutory report on the conduct of the Company's Directors under the Company Director Disqualification Act has been submitted to The Department of Business, Innovation and Skills. The content of this report is however, strictly private and confidential.

We also have a duty to investigate the extent of the Company's assets, including potential claims against third parties including the Directors and to report my findings to creditors, subject to considerations of privilege and confidentiality and whether those investigations and/or any potential litigation might be compromised.

Our preliminary assessment of the conduct of the Company's affairs by the Directors prior to our appointment did not reveal any matters that it was in the interest of creditors for me to pursue. Accordingly, we did not conduct any further, more detailed investigations.

## **Preferential and Unsecured Creditors; Notice of No Dividend**

Assets realised have been and will be utilised fully in contributing towards defraying the administrative costs of the Liquidation.

Accordingly, formal notice is hereby given, in accordance with Rules 4.186 and Rule 11.7 of the Insolvency Rules 1986 (as amended) that no funds are expected to be available to enable any form of distribution to be made to preferential and unsecured creditors.

## **Joint Liquidators' fees, disbursements and expenses**

### Basis of remuneration and disbursements

At the initial meeting of creditors held pursuant to Section 98 of the Act on 12 November 2010 it was resolved that the Joint Liquidators would be remunerated by reference to the time properly spent in dealing with this matter at the firm's standard charging rates, and that their disbursements would be drawn in accordance with the firm's standard tariff (see Appendix C)

Since the original approval of the basis of our remuneration there has been a change to our charge out rates and disbursement tariff, a copy of this is attached at Appendix C

### Remuneration charged and drawn

The Joint Liquidators' time costs to the anniversary date amounted to £4,113 which represents 25 hours at an average hourly rate of £164 52

I have attached a breakdown of time costs at Appendix B I am required to provide the information in this format by Statement of Insolvency Practice 9

No remuneration has been drawn to date

### Disbursements and Expenses charged and drawn

Details of the costs incurred and paid by the Joint Liquidators in relation to Liquidation disbursements and expenses are also attached at Appendix D.

Category 1 disbursements are in respect of expenses that were directly attributable to the case Category 2 disbursements required specific authorisation and consist of disbursements that are not specifically identifiable to the case

I comment specifically that at the first meeting of creditors held on 12 November 2010 it was resolved that the fees and disbursements of Rimes & Co for assisting the Directors in convening the statutory meetings to place the Company into Liquidation, and for assistance in preparing the Statement of Affairs, would be a set fee of £5,000, be paid out of the assets of the Company

This fee has been restricted to £3,743 86 representing the time costs actually incurred and has been drawn in full

Pre-appointment disbursements of £18 90 have also been drawn in full

Creditors' Guide to Fees and statement of creditors' rights

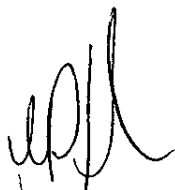
If you require further information relating to our remuneration, expenses and disbursements including your rights as a creditor in this regard please contact Kate Conneely

Matters outstanding

I am hopeful of being able to issue my draft final report to members and creditors before the next anniversary

If you require any further information, please do not hesitate to contact Kate Conneely on 01299 406355 or at the above address

Yours faithfully



**A P Jordan**  
Joint Liquidator

**Embroidery Express Plc**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

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	Business Rates Refund	478 16	478 16
	Bank Interest Gross	0 61	0 61
		<u>4,978 77</u>	<u>4,978 77</u>
	<b>COST OF REALISATIONS</b>		
	Preparation of S of A	3,743 86	3,743 86
	Prov Liquidators Fees	18 90	18 90
	Office Holders Fees	NIL	NIL
	Pension agents fees	250 00	250 00
	Accountants Fees	500 00	500 00
	Storage Costs	86 60	86 60
	Statutory Advertising	125 00	125 00
		<u>(4,724 36)</u>	<u>(4,724 36)</u>
	<b>PREFERENTIAL CREDITORS</b>		
(360 00)	Employees' Claims - Wages and Hol P	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
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(3,713 00)	Trade & Expense Creditors	NIL	NIL
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(1,723 00)	Director's Loan	NIL	NIL
(24,948 00)	HM Revenue & Customs - VAT	NIL	NIL
(37,866 00)	HM Revenue & Customs - PAYE	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(50,000 00)	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
<u>(132,449 00)</u>		<u>254 41</u>	<u>254.41</u>
	<b>REPRESENTED BY</b>		
	Vat Receivable		871 60
	Bank 1 Current		82 81
	Vat Payable		(700 00)
			<u>254 41</u>

# Embroidery Express Plc - In Liquidation

## Appendix B

SIP 9 - Time & Cost Summary  
Period 12 November 2010 to 11 November 2011

### Time Summary

Classification of work function	Hours			Total Hours	Time Costs £	Avg hourly rate £
	Partner	Manager	Administrator			
Admin & Planning	1 20	0 00	8 60	9 80	1,458	149
Taxation	0 00	0 00	0 50	0 50	75	150
Investigations	1 00	0 00	5 00	6 00	1,025	171
Realisation of Assets	0 30	0 00	1 30	1 60	278	173
Employee Claims	0 20	0 00	1 90	2 10	340	162
Creditors	0 20	0 00	3 00	3 20	505	158
Statutory Reporting	1 30	0 00	0 50	1 80	433	240
<b>Total Hours</b>	4 20	0 00	20 80	25 00		
<b>Total Time Costs (£)</b>	1,155	0	2,958		4,113	
<b>Average Hourly Rate by Grade (£)</b>	275	0	142			165



## **Embroidery Express Plc – In Creditors' Voluntary Liquidation**

### **Guidance for creditors on charge out rates and allocated disbursements**

#### **Charge out rates**

It is anticipated that the following grades of personnel will work on this case. Their current charge-out rates are set out below.

<b>Grade of personnel</b>	<b>Hourly charge out rate (£)</b>
Partner	275 - 325
Manager	220
Administrator	110 - 150
Cashiering & Secretarial	50 - 110

Time is charged in units of 6 minutes. In common with other professional firms, our charge-out rates increase from time to time over the period of administration of a case.

#### **Allocated disbursements**

Details of the proposed charges for which approval is required are set out below.

- Meeting room charge for statutory meetings, charged at £60 per meeting summoned (members' and creditors' meetings on the same day treated as one meeting)
- IPS charge at £50 per case
- Case set up fee of £30 per case
- Document storage - £6.00 per box per quarter and a one-off cost of £3.00 per box for the acquisition of the storage boxes
- Facsimiles are charged at £1 per page and photocopying is charged at a cost of 15p per page
- Envelopes for all circulars to creditors are re-charged to the case at 20p per C4 window envelope
- Business rate mileage, at a cost of between 40p and 80p per mile in relation to the running costs of different classes of vehicle

It should be noted that the above costs might increase from time to time. However, this would only be as a result of inflationary increases or in line with increases from my suppliers.

**Rimes & Co**

**Joint Liquidators' disbursements incurred and paid**

An analysis of the Joint Liquidator's disbursements is summarised below -

	Incurred £	Unpaid £	Paid £
<b>Category 1</b>			
Insolvency bond	104 00	104 00	0 00
Postage	10 08	10 08	0 00
Company Searches	2 00	2 00	0 00
	<u>116 08</u>	<u>116 08</u>	<u>0 00</u>

**Category 2**

Envelopes	1 96	1 96	0 00
Photocopying	14 70	14 70	0 00
	<u>16 66</u>	<u>16 66</u>	<u>0 00</u>

**Joint Liquidator's expenses incurred and paid**

Details of the Joint Liquidators' expenses are summarised below -

Expense	Paid to	Basis of payment	Incurred £	Unpaid £	Paid £
Pre Liquidation Fees	Rimes & Co	Approved by creditors on 12 November 2010			
Pre Liquidation Disbs	Rimes & Co	Approved by creditors on 12 November 2010			
Pension Agents Fees	Insol Financial Solutions Limited	Set Fee			
Accountants Fees	Harris Young & Beattie	Set Fee			
Storage Costs	Clarks Archive Services	Standard Tariff - Set Fee			
Statutory Advertising	Courts Advertising	Set Fee			
Pre Liquidation Fees	Rimes & Co		3,743 86	0 00	3,743 86
Pre Liquidation Disbs	Rimes & Co		18 90	0 00	18 90
Pension Agents Fees	Insol Financial Solutions Limited		250 00	0 00	250 00
Accountants Fees	Harris Young & Beattie		500 00	0 00	500 00
Storage Costs	Clarks Archive Services		86 60	0 00	86 60
Statutory Advertising	Courts Advertising		125 00	0 00	125 00
			<u>4,724 36</u>	<u>0 00</u>	<u>4,724 36</u>