

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

02897583

Name of Company

Card Line Greetings Limited

I/~~We~~

Simon Gwinnutt, Unit 30, The Derwent Business Centre, Clarke Street, Derby

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 25/03/2014 to 24/03/2015

Signed 

Date 15/04/15

Cirrus Professional Services
The Derwent Business Centre
Clarke Street
Derby
DE1 2BU

Ref CARDLINE11/SMG/ML/NK

FRIDAY



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17/04/2015

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COMPANIES HOUSE

**Card Line Greetings Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 25/03/2014 To 24/03/2015	From 25/03/2011 To 24/03/2015
	ASSET REALISATIONS		
250 00	Plant & Machinery	NIL	550 00
1,600 00	Furniture & Equipment	NIL	1,627 00
2,000 00	Motor Vehicles	NIL	2,250 00
8,400 00	Book Debts	3,509 58	10,709 58
	Insurance Refund	NIL	7 16
24,845 00	Trade Debtors	NIL	NIL
	Bank Interest Net of Tax	0 22	1 40
		<u>3,509 80</u>	<u>15,145 14</u>
	COST OF REALISATIONS		
	Specific Bond	NIL	300 00
	Preparation of S of A	NIL	1,850 00
	Office Holders Fees	NIL	NIL
	Office Holders Expenses	NIL	161 42
	Agents/Valuers Fees (1)	2,250 00	5,580 93
	Storage Costs	2,965 20	5,474 20
	Re-Direction of Mail	NIL	25 96
	Statutory Advertising	NIL	250 02
		<u>(5,215 20)</u>	<u>(13,642 53)</u>
	PREFERENTIAL CREDITORS		
(5,132 00)	Employee Arrears/Hol Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	FLOATING CHARGE CREDITORS		
(90,000 00)	NatWest Bank	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(290,564 00)	Trade & Expense Creditors	NIL	NIL
(20,325 00)	Employees	NIL	NIL
(59,060 00)	Customs & Excise	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(31,200 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(459,186 00)</u>		<u>(1,705.40)</u>	<u>1,502.61</u>
	REPRESENTED BY		
	Vat Receivable		1,332 29
	Bank 1 Current		170 32
			<u>1,502.61</u>

CARD LINE GREETINGS LIMITED - IN LIQUIDATION

Liquidator's annual report in respect of the liquidation of Card Line Greetings Limited, covering the period 25 March 2014 to 24 March 2015.

This report should be read in conjunction with my previous reports to creditors.

Asset realisations

The following summarises the final position in relation to asset realisations, as compared with the Director's Estimated Statement of Affairs.

	Estimated to realise per Statement of Affairs £	Actual realisations £
Leasehold interest	Nil	Nil
Office furniture and equipment	250	1,627
Plant and machinery	1,600	550
Motor vehicle	2,000	2,250
Book debts	33,245	10,709
Insurance refund	-	7
	<u>37,095</u>	<u>15,143</u>

Book debts

The amount shown includes £8,400 due from Jan Cards and Gifts Limited, in respect of its purchase of the company's remaining stocks in February 2011. It was agreed for the book debt to be payable in several instalments, over a period from 18 May 2011 to 18 February 2012. My collection agent has received £7,200, from Jan Cards and Gifts Limited.

NGS Corporate Services Limited has been instructed to collect the amounts due from trade debtors. To date £3,509 has been realised from debtors (other than Jan Cards and Gifts Limited). It is unlikely that any further amounts will be realised, due to disputes and counter-claims raised by the debtors.

There are no further asset realisations.

Insurance refund

A refund of insurance rates of £7.16 was received from Royal & Sun Alliance Insurance Plc, following my appointment.

Liabilities

Preferential creditors

The amounts due to the preferential creditors, representing holiday pay and arrears of pay due to former employees, was calculated as £5,132. The Redundancy Payments Office subsequently made payments to the former employees, totalling £5,217.

Unsecured creditors

All claims received have been acknowledged. To date, I have received twenty seven claims totalling £256,731 76

Investigation matters

I would advise creditors that in accordance with the Company Directors Disqualification Act 1986, I have submitted my report to the Department for Business, Enterprise & Regulatory Reform on the Directors' conduct

In 2010, the Directors sought to negotiate a sale of the business and the company's remaining stocks. However, discussions with two potential buyers collapsed, leading the Directors to dispose of the stocks in February 2011. The stock was thought by the Directors to have had no significant value, due to the extent of the obsolete stocks and because of the company's diminishing franchisor network.

Whilst a number of creditors have expressed their concerns that the company's stocks were disposed of for a relatively low amount as compared with the book value of the stocks, I cannot see that there is any legal route for redress, and given that there are almost no monies available in this case, then I will now be taking steps to close the liquidation.

Liquidator's receipts and payments

I have attached to this report a summary of the Liquidator's receipts and payments, for the period since my appointment to date, for creditors' information.

Creditors will see from the summary, that asset realisation are not significant and as a high proportion of the monies realised have been expended to cover debt collection charges and the costs incurred in obtaining and storing the company's books and records, I have not obtained the authorised Statement of Affairs fee (agreed by creditors at the first meeting of creditors, held on 25 March 2011) and I have received no payment for my work undertaken as Liquidator.

Dividend prospects

There are insufficient asset realisations to facilitate the payment of a dividend to any class of creditor.

Liquidator's fees and disbursements

At the first creditors' meeting held on 25 March 2011, creditors unanimously approved a resolution confirming that the Liquidator be authorised to draw fees on a time-cost basis, each month.

My accrued time costs to date are in excess of £18,000 against which no Liquidator's fees have been drawn. My time costs will not be paid. As the fees drawn are less than the de minimis amount applicable, I am at this juncture taking advantage of the SIP9 provision that I may dispense with a detailed analysis of the liquidation time costs.

Only directly-attributable incurred costs have been re-charged to the case estate, at actual cost. No Category 2 disbursements have been re-charged to the estate.

Creditors should note that a copy of the Creditors' Guide to office holders fees is available on request from this office, or this can be found on the R3 website (www.r3.org.uk) under the heading 'technical library', by following the link to Statement of Insolvency Practice (SIP). SIP9 contains the relevant creditors' guide.

Within 21 days of receipt of this progress report, a creditor may request the Liquidator to provide further information about the remuneration and expenses set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

The Liquidator must provide the requested information within 14 days, unless he considers that:

- the time and cost involved in preparing the information would be excessive, or;

- disclosure would be prejudicial to the conduct of the liquidation or might be expected to lead to violence against any person, or,
- the Liquidator is subject to an obligation of confidentiality in relation to the information requested, in which case he must give the reasons for not providing the information

Any creditor may apply to the court within 21 days of the Liquidator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information

In this particular case, the above provisions are academic as I have received no payment as Liquidator

Outstanding matters

The following matters need to be addressed, prior to my release from office as Liquidator

- the realisation of trade debtors;
- the realisation of the book debt,
- the convening of final meetings of members and creditors, under section 106 of the Insolvency Act 1986.

Further assistance

Should you require any further information, please do not hesitate to contact either myself or Maria Lever at my office

Liquidator's report on fees and disbursements charged for the period 25 March 2011 to 24 March 2015

Case name	Card Line Greetings Limited
Registered number	02897583
Registered office	Unit 30 The Derwent Business Centre Clarke Street Derby DE1 2BU
Principal trading address	Unit 2 Ionic Park Birmingham New Road Dudley DY1 4SJ
Court and number	N/A
Office holder Firm	Simon Gwinnutt Cirrus Professional Services
Address Telephone Facsimile Email Reference	The Derwent Business Centre Clarke Street Derby DE1 2BU 01332 333290/01332 365967 01332 344107 enquiry@cirrusproserv.co.uk SMG/MBL/Card Line
Changes to office holders	None
Type of appointment Date of appointment	Creditors' voluntary liquidation 25 March 2011

1. Case Overview

At the first creditors' meeting held on 25 March 2011, creditors unanimously approved a resolution confirming that the Liquidator be authorised to draw fees on a time-cost basis each month

As at 24 March 2015, no Liquidator's fees have been drawn

2. Liquidator's charging and disbursements recovery policies

Staff grades used on this case include Partner, Manager, Administrator and various cashiering and support staff.

All time costs relate to staff who have worked on the case and have been charged on the basis of actual time spent administering the case. No time cost has been charged as an overhead cost of the firm.

Disbursements charged to this case include charges for statutory advertisements, redirection of mail, company searches, travel recharge, hire of meeting room for creditors' meeting and the Liquidator's bordereau in accordance with the Insolvency Rules 1986 and the Insolvency Practitioners Regulations 1990

3. Narrative description of work carried out

- Administration and set up of case files and Liquidator's cashbook
- Maintaining and reviewing and case planning
- Preparation of post appointment statutory notices
- Preparation of directors' conduct return/report as required by Company Directors Disqualification Act 1986
- Notifying creditors of Liquidator's appointment and complying with creditors' requests for information
- Corresponding with H M Revenue & Customs in respect of PAYE/NI and VAT
- Acknowledgement of creditors' claims and general correspondence
- Appointment of agents to collect book debts
- Maintaining Liquidator's bank accounts and cashbook
- Completion of post appointment tax returns
- Completion of statutory returns as required by the Insolvency Act 1986 and Insolvency Rules 1986
- Investigation into the sale of assets prior to my appointment
- Investigations into the company's records
- Corresponding and dealing with the employees redundancy claims
- Locate and collect company records

FEES AND DISBURSEMENTS

Charge-out Rates

Grade	Charge-out rate (£ per hour)
Appointment Taker	325
Manager	250
Senior Administrator	225
Administrator	150
Junior Administrator	125
Cashier	125
Support	75

Time costs are calculated using 5 minute units

Agent's costs

Charged at time costs and/or agree realisation percentage, as appropriate The term agent includes

- solicitors
- auctioneers/valuers/sale agents
- accountants
- chartered quantity surveyors
- estate agents
- other specialist advisors

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors Disbursements are categorised as either category 1, being expenses directly referable to a third party, e g postage, statutory advertising, external meeting room hire, specific bond insurance and courier costs, external archive, storage and subsequent destruction and company search fees, or category 2, being expenses incurred and recharged to the estate, which may include a profit element, e g internal meeting room hire, record storage, photocopying and care mileage

Category 1 disbursements are recoverable in full from the estate without the prior approval of creditors Category 2 disbursements are recoverable in full from the estate, subject to the basis of the disbursement allocation being approved by creditors in advance

Category 1 disbursements are proposed to be recovered as follows

Postage	Charged at actual cost
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Category 2 disbursements are proposed to be recovered as follows

Photocopying	Recharged at 10p per sheet
Archiving of case files and company records	Recharged at £15 per box per annum (or part thereof)
Car mileage	45p per mile

Rates/figures since February 2015