

**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 ~~state~~

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 25/03/2012 to 24/03/2013

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  
COMPANIES HOUSE

#219

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

Statement of Affairs		From 25/03/2012 To 24/03/2013	From 25/03/2011 To 24/03/2013
	<b>ASSET REALISATIONS</b>		
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	NIL	NIL
	Insurance Refund	NIL	7 16
24,845 00	Trade Debtors	NIL	NIL
	Bank Interest Net of Tax	0 29	0 39
		<u>0 29</u>	<u>4,434 55</u>
	<b>COST OF REALISATIONS</b>		
	Specific Bond	NIL	300 00
	Preparation of S of A	NIL	600 00
	Office Holders Fees	NIL	NIL
	Office Holders Expenses	NIL	161 42
	Agents/Valuers Fees (1)	254 18	3,330 93
	Storage Costs	1,460 00	1,657 00
	Re-Direction of Mail	NIL	25 96
	Statutory Advertising	NIL	250 02
		<u>(1,714 18)</u>	<u>(6,325 33)</u>
	<b>PREFERENTIAL CREDITORS</b>		
(5,132 00)	Employee Arrears/Hol Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>FLOATING CHARGE CREDITORS</b>		
(90,000 00)	NatWest Bank	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>UNSECURED CREDITORS</b>		
(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>
	<b>DISTRIBUTIONS</b>		
(31,200 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(459,186 00)</u>		<u>(1,713.89)</u>	<u>(1,890.78)</u>
	<b>REPRESENTED BY</b>		
	Vat Receivable		461 89
	Bank 1 Current		(1,720 94)
			<u>(1,259.05)</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 2012 to 24 March 2013.**

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.

	<b>Estimated to realise per Statement of Affairs £</b>	<b>Actual realisations £</b>
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	<u>33,245</u>	Nil
Insurance refund	-	<u>7</u>
	<u>37,095</u>	<u>4,434</u>

### **Office furniture and equipment, plant and machinery and motor vehicle**

Prior my appointment as Liquidator, I instructed John Pye & Sons Limited, chattel agents and valuers, to value the company's chattel assets.

John Pye & Sons Limited valued the assets in March 2011, with an open-market value of £3,850. The assets were subsequently sold at auction for a total of £4,427.

### **Trade debtors**

NGS Corporate Services Limited has been instructed to collect the amounts due from trade debtors. To date, £5,880 has been realised. The Director is now assisting NGS in realising the trade debtors.

### **Book debt**

The amount shown is due from Jan Cards and Gifts Limited, in respect of the 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.

NGS Corporate Services Limited has been instructed to collect the book debt. To date, NGS has received £5,400, leaving the amount of £3,000 as still due.

### **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 £16,000 against which 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](http://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 2013**

<b>Case name</b>	Card Line Greetings Limited
<b>Registered number</b>	02897583
<b>Registered office</b>	Unit 30 The Derwent Business Centre Clarke Street Derby DE1 2BU
<b>Principal trading address</b>	Unit 2 Ionic Park Birmingham New Road Dudley DY1 4SJ
<b>Court and number</b>	N/A
<b>Office holder</b>	Simon Gwinnutt
<b>Firm</b>	Cirrus Professional Services
<b>Address</b>	The Derwent Business Centre Clarke Street Derby DE1 2BU
<b>Telephone</b>	01332 333290/01332 365967
<b>Facsimile</b>	01332 344107
<b>Email</b>	enquiry@cirrusproserv.co.uk
<b>Reference</b>	SMG/MBL/Card Line
<b>Changes to office holders</b>	None
<b>Type of appointment</b>	Creditors' voluntary liquidation
<b>Date of appointment</b>	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 2013, 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**

<b>Grade</b>	<b>Charge-out rate (£ per hour)</b>
Appointment taker	325
Supervisor	225
Senior Administrator	150
Case Administrator	125
Support/Secretarial	75
<b>Time costs are calculated using 5 minute units</b>	

It should be noted that standard charge-out rates have increased, with effect from 1 January 2012. Previously-reported charge-out rates remained effective until 31 December 2011.

### **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 2 disbursements are proposed to be recovered as follows:

Postage	Charged at actual cost (first class)
Photocopying	Recharged at 10p per sheet
Archiving of case files and company records	Recharged at £12 per box per annum (or part thereof)
Car mileage	40p per mile

Rates/figures since January 2012

**Card Line Greetings Limited – in Liquidation**

**Summary of Liquidator's receipts and payments from 25 March 2011 to 24 March 2013**

**25 March 2011 to  
24 March 2013  
(£)**

**RECEIPTS**

Plant and machinery	550 00
Furniture and equipment	1,627 00
Motor vehicles	2,250 00
Book debts	1,800 00
Insurance refund	7.16
Bank interest net of tax	0 39
	<u>6,234 55</u>

**PAYMENTS**

Statutory bond	300 00
Preparation of Statement of Affairs	600 00
Office holders expenses	161 42
Agents/valuers fees	2,804 49
Storage costs and records recovery	1,657 00
Re-direction of mail	25 96
Irrecoverable VAT	-
Statutory advertising	<u>250 02</u>
	6,155 49
Balance in hand	<u>79 06</u>
	<u>6,234 55</u>