

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

07843927

Name of Company

Direct 2 Retail (UK) Limited

I / We

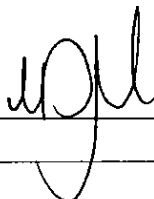
Adam Peter Jordan, 3 The Courtyard, Harris Business Park, Hanbury Road, Stoke Prior, Bromsgrove, B60 4DJ

Nickolas Garth Rimes, 3 The Courtyard, Harris Business Park, Hanbury Road, Stoke Prior, Bromsgrove, B60 4DJ

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 07/01/2015 to 06/01/2016

Signed



Date

3/3/2016

Rimes & Co
3 The Courtyard
Harris Business Park
Hanbury Road
Stoke Prior
Bromsgrove, B60 4DJ

Ref DIRE1186/AJ/NR/KC

SATURDAY



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05/03/2016

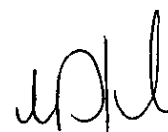
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COMPANIES HOUSE

Direct 2 Retail (UK) Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 07/01/2015 To 06/01/2016
	ASSET REALISATIONS	
NIL	Book Debts	NIL
	Director's Contribution Towards Costs	2,500 00
	Bank Interest Gross	1 40
		<u>2,501 40</u>
	COST OF REALISATIONS	
	Statutory Advertising	225 00
		<u>(225 00)</u>
	UNSECURED CREDITORS	
(233,628 00)	Trade & Expense Creditors	NIL
(10,000 00)	Director's Loan Account	NIL
(1,512 00)	HSBC Bank Plc	NIL
		<u>NIL</u>
	DISTRIBUTIONS	
(999 00)	Ordinary Shareholders	NIL
		<u>NIL</u>
<u>(246,139 00)</u>		<u><u>2,276 40</u></u>
	REPRESENTED BY	
	Vat Receivable	45 00
	Bank 1 Current	2,231 40
		<u>2,276 40</u>

Note



Adam Peter Jordan
Joint Liquidator

DIRECT 2 RETAIL (UK) LIMITED – IN LIQUIDATION

JOINT LIQUIDATORS' PROGRESS REPORT TO CREDITORS AND MEMBERS FOR THE YEAR ENDING 6 JANUARY 2016

STATUTORY INFORMATION

Company name	Direct 2 Retail (UK) Limited
Registered office	3 The Courtyard, Harris Business Park, Hanbury Road, Stoke Prior, Bromsgrove, B60 4DJ
Former registered office	Unit 8, Rovex Business Park, Hay Hall Road, Birmingham, B11 2AG
Registered number	07843927
Joint Liquidators' names	Nick Rimes and Adam Jordan
Joint Liquidators' address	3 The Courtyard, Harris Business Park, Hanbury Road, Stoke Prior, Bromsgrove, B60 4DJ
Joint Liquidators' date of appointment	7 January 2015

JOINT LIQUIDATORS' ACTIONS SINCE APPOINTMENT

Following our appointment, we conducted an initial assessment of the assignment and adopted an appropriate strategy for dealing with the administration of the Liquidation estate

There is certain work that we are required by the insolvency legislation to undertake in connection with the Liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since our appointment is as follows

- 1 Administration
 - Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case
 - Setting up physical/electronic case files
 - Setting up the case on the practice's electronic case management system and entering data
 - Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment
 - Obtaining a specific penalty bond
 - Dealing with all routine correspondence and emails relating to the case
 - Opening, maintaining and managing the office holder's estate bank account
 - Creating, maintaining and managing the office holder's cashbook
 - Undertaking regular bank reconciliations of the bank account containing estate funds
 - Reviewing the adequacy of the specific penalty bond on a quarterly basis
 - Undertaking periodic reviews of the progress of the case
 - Overseeing and controlling the work done on the case by case administrators
 - Preparing and filing VAT returns
 - Preparing and filing Corporation Tax returns
- 2 Creditors
 - Dealing with creditor correspondence, emails and telephone conversations regarding their claims

- Maintaining up to date creditor information on the case management system

3 Investigations

- Preparing a report or return on the conduct of the Directors as required by the Company Directors Disqualification Act

RECEIPTS AND PAYMENTS

Our Receipts & Payments Account for the period from 7 January 2015 to 6 January 2016 is attached at Appendix A

The balance of funds are held in a non-interest bearing estate bank account

ASSETS

Book Debts

At the date of Liquidation, according to the Director's statement of affairs the company had a sales ledger with a book value of £79,000. All of the debts were disputed and no realisations were anticipated in the Liquidation.

Despite a number of requests to the Director for copy invoices in order to write to the debtors, none were forthcoming. In light of the fact that the Director had previously advised that the debts were disputed and after considering the level of funds in the Liquidation estate, we decided that it was not commercially viable to pursue the Director any further.

Director Contribution

The sum of £2,500 was received from the Director as a contribution towards the cost of the Liquidation.

Bank Interest

Liquidation funds have been held in an interest bearing account and £1.40 has been received gross of taxation.

LIABILITIES

Secured Creditors

An examination of the company's mortgage register held by the Registrar of Companies, showed that the company has no current charges over its assets.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

Preferential Creditors

There were no preferential claims identified in the Director's statement of affairs and no preferential claims have been received during the Liquidation.

Crown Creditors

The statement of affairs showed no liabilities to HMRC. A nil claim has been received from HMRC in respect of PAYE/NI.

Non-preferential unsecured Creditors

The statement of affairs included 32 non-preferential unsecured creditors with an estimated total liability of £245,140. We have received claims from 15 creditors at a total of £140,916.33. We have not received claims from 17 creditors with original estimated claims in the statement of affairs of £132,902.67.

DIVIDEND PROSPECTS

A dividend will not be declared to non-preferential unsecured creditors as the funds realised have been used to make payments to meet the expenses of the Liquidation.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

We undertook an initial investigation into the company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. In particular, we recovered, listed and reviewed the company's accounting records, obtained and reviewed copy bank statements for the 12 months prior to the company ceasing to trade from the company's bankers, and compared the information in the company's last set of accounts with that contained in the statement of affairs lodged in the Liquidation.

We highlighted certain matters for further investigation. However, our investigations were obstructed by the non-cooperation of the Director. In light of the quantum of funds in the Liquidation estate and the poor prospects of recovery, the decision was made not to pursue our investigations any further.

Within six months of our appointment as Joint Liquidators, we are required to submit a confidential report to the Secretary of State to include any matters which have come to our attention during the course of our work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the company. We would confirm that our report has been submitted.

PRE-APPOINTMENT REMUNERATION

The creditors previously authorised the payment of a fee of £2,500 for our assistance with preparing the statement of affairs and convening and holding the meeting of creditors at a meeting held on 7 January 2015.

The fee for preparing the statement of affairs and convening and holding the meeting of creditors is as yet unpaid.

JOINT LIQUIDATOR'S REMUNERATION

Our remuneration was previously authorised by the creditors at a meeting held on 7 January 2015 to be drawn on a time cost basis. Our total time costs to 6 January 2016 amount to £3,757.50 representing 25.10 of hours work at an average charge out rate of £149.70 per hour.

We have not been able to draw any remuneration in this matter.

A schedule of our time costs incurred to date is attached as Appendix B.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, is available at the link www.rimesandco.co.uk. Please note that there are different versions of the Guidance Notes and in this case you should refer to the November 2011 version.

We have incurred the following expenses in the period since our appointment as Joint Liquidators

Type of expense	Amount incurred/ accrued in the reporting period
Statutory Advertising	£225 00
Postage	£11 90
Insolvency Bond	£30 00
Storage Costs	£15 00

We have incurred the following category 2 disbursements in the period since our appointment as Joint Liquidators

Type of category 2 disbursement	Amount incurred/ accrued in the reporting period
Photocopying	£5 10
Envelopes	£6 80
Report Upload	£10 00

FURTHER INFORMATION

An unsecured creditor may, with the permission of the Court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Joint Liquidators' remuneration and expenses within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to Court to challenge the amount and/or basis of the Joint Liquidators' fees and the amount of any proposed expenses or expenses already incurred within 8 weeks of receipt of this report. Any secured creditor may make a similar application to Court within the same time limit.

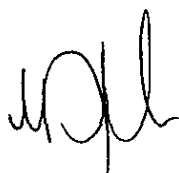
To comply with the Provision of Services Regulations, some general information about Rimes & Co can be found at www.rimesandco.co.uk

SUMMARY

There are no outstanding matters in the Liquidation and accordingly we anticipate being able to issue our draft final report to members and creditors within the next four months.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Kate Conneely on 01527 558 410, or by email at kate.conneely@rimesandco.co.uk

Yours faithfully



A P Jordan
Joint Liquidator

Direct 2 Retail (UK) Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Appendix A

Statement of Affairs		From 07/01/2015 To 06/01/2016	From 07/01/2015 To 06/01/2016
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	REPRESENTED BY		
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Note

Time Entry - SIP9 Time & Cost Summary

DIRE1186 - Direct 2 Retail (UK) Limited
All Post Appointment Project Codes
From 07/01/2015 To 06/01/2016

Appendix B

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.30	0.00	2.00	6.80	9.10	1,247.50	137.09
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.40	0.00	4.30	0.50	5.20	837.50	161.06
Investigations	0.30	0.00	8.30	0.00	8.60	1,342.50	156.10
Realisation of Assets	0.00	0.00	2.20	0.00	2.20	330.00	150.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	1.00	0.00	16.80	7.30	25.10	3,757.50	149.70
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Rule 4 73

PROOF OF DEBT - GENERAL FORM

Direct 2 Retail (UK) Limited - In Liquidation

Date of appointment – 7 January 2015

1	Name of Creditor	
2	Address of Creditor	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)	£
4	Details of any document by reference to which the debt can be substantiated [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5	If the total amount shown above includes Value Added Tax, please show - (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6	If total amount above includes outstanding uncapitalised interest please state amount	£
7	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
9	Particulars of how and when debt incurred	
10	Particulars of any security held, the value of the security, and the date it was given	£
11	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	