

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number	0	4	9	3	4	2	7	1
Company name in full	Toucan Graphic Design Limited							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s)	Luke
Surname	Venner

3 Liquidator's address

Building name/number	2nd Floor Stratus House
Street	Emperor Way
Post town	Exeter
County/Region	Devon
Postcode	E X 1 3 Q S
Country	England

4 Liquidator's name ①

Full forename(s)	Malcolm
Surname	Rhodes

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②



Building name/number	2nd Floor Stratus House
Street	Emperor Way
Post town	Exeter
County/Region	Devon
Postcode	E X 1 3 Q S
Country	England

② Other liquidator

Use this section to tell us about
another liquidator.

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6	Period of progress report																
From date	d	0	d	1	m	0	m	8	y	2	y	0	y	2	y	1	
To date	d	3	d	1	m	0	m	7	y	2	y	0	y	2	y	2	
7	Progress report																
<input checked="" type="checkbox"/> The progress report is attached																	
8	Sign and date																
Liquidator's signature	Signature 																
Signature date	d	2	d	4	m	0	m	8	y	2	y	0	y	2	y	2	

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Sam Hawkins

Company name Bishop Fleming LLP

Address 2nd Floor Stratus House

Emperor Way

Post town Exeter

County/Region Devon

Postcode

E	X	1	3	Q	S
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Country England

DX

Telephone 01392 448800

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Joint Liquidators' Annual Progress Report to Creditors & Members

Toucan Graphic Design Limited - In Liquidation

For the period from 1 August 2021 to 31 July 2022

TOUCAN GRAPHIC DESIGN LIMITED - IN LIQUIDATION

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- D** Estimated Outcome Statement
- E** Additional information in relation to Joint Liquidators' Fees, Expenses & the use of Subcontractors

1 Introduction and Statutory Information

- 1.1 I, together with my colleague Malcolm Rhodes, was appointed Joint Liquidator of Toucan Graphic Design Limited (the Company) on 7 April 2021 in succession to Jonathan Mark Williams who had been appointed on 1 August 2019.
- 1.2 Our appointment was made by Order of the High Court of Justice, Business and Property Courts in Bristol on 7 April 2021 ahead of Mr Williams' retirement from Bishop Fleming. A copy of the Order is available on request.
- 1.3 This progress report covers the period from 1 August 2021 to 31 July 2022 (the Period) and should be read in conjunction with any previous progress reports which have been issued.
- 1.4 Information about the way that we will use, and store personal data on insolvency appointments can be found at www.bishopfleminginsolvency.co.uk/privacy-policy. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.5 The principal trading address of the Company was 25 Southernhay East, Exeter, EX1 1NS. The business traded under the name Toucan Design.
- 1.6 The registered office of the Company has been changed to Bishop Fleming LLP, 2nd Floor Stratus House, Emperor Way, Exeter Business Park, Exeter, EX1 3QS and its registered number is 04934271.

2 Receipts and Payments

- 2.1 At Appendix A is my Receipts and Payments Account covering the Period of this report together with a cumulative Receipts and Payments Account for the period from the commencement of the Liquidation to the end of the Period.
- 2.2 In Section 3 below, you will find an update on the progress made during the Period in realising the Company's assets and dealing with its affairs.

3 Progress of the Liquidation

- 3.1 This section of the report provides creditors with an update on the progress made in the Liquidation during the Period and an explanation of the work done by us and our staff.

Administration (including statutory compliance & reporting)

- 3.2 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work our predecessor anticipated would need to be done in this area was outlined in the initial fees estimate/information which was previously agreed by creditors.
- 3.3 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidators.
- 3.4 As noted in the initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors but is required on every case by statute.

Realisation of Assets

Directors' Loan Account

- 3.5 As mentioned in my previous progress report, a voluntary charge was obtained on the Directors' matrimonial property in respect of the loan account totalling £95,328.
- 3.6 In the Period the Directors were able to release sufficient equity in their property to satisfy their loan account. The sum of £95,328 plus £146.26 interest was paid.
- 3.7 Kitsons LLP's costs of £1,538 plus VAT were discharged in the Period.

S455 tax repayable

- 3.8 Following the repayment of the Directors' loan account, tax paid to HM Revenue & Customs ("HMRC") in accordance with Section 458 of Corporation Tax Act 2010 ("CTA 2010") relief now applies to the tax previously paid under Section 455 of CTA 2010. After liaising with my tax team, the sum of £29,706.16 was calculated to be payable.
- 3.9 Since HMRC have submitted a claim in the liquidation totalling £110,778, I have applied set off to the repayable balance which substantially reduced the claim submitted by HMRC.
- 3.10 The work we have undertaken to date has brought a financial benefit to creditors in the form of dividends to preferential and unsecured creditors.

Creditors (claims and distributions)

- 3.11 The Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 3.12 Work undertaken by the Liquidators in dealing with a company's creditors may only therefore bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however the Liquidators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidators in dealing with those claims.
- 3.13 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 4 below.
- 3.14 At this stage, we consider the following matters worth bringing to the attention of creditors:
- I have dealt with claims from preferential creditors totalling £10,684.
 - I have dealt with the claims of six employees.
 - I have admitted 17 unsecured creditor claims totalling £295,851.

Investigations

- 3.15 You may recall from the first progress report to creditors that some of the work Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not

necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidators can pursue for the benefit of creditors.

3.16 A report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first year of the Liquidation and is confidential.

3.17 Since the last progress report we would advise that no further asset realisations have come to light that may be pursued by us for the benefit of creditors.

Matters still to be dealt with

3.18 The following matters are outstanding:

- Distribute a final dividend to unsecured creditors
- Liaise with HMRC to obtain the necessary tax clearances

4 Creditors

Preferential Creditors

4.2 A summary of the preferential claims in the Liquidation and details of any distributions paid to date can be found below:

Preferential claims	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1	Date dividend paid
Employee claims (Total number of claims = 6)	3,460	10,684	100	21 April 2022
Department for Business, Energy & Industrial Strategy (BEIS)	7,224	-	100	21 April 2022

Unsecured Creditors

4.3 To date, I have admitted claims totalling £295,851 from 17 creditors. On 22nd April 2022 I paid an interim dividend of 14.25 pence in the pound to the unsecured creditors of the Company.

4.4 Attached at Appendix D is an updated Estimated Outcome Statement for the Liquidation. This represents our estimate of the outcome of the Liquidation as at the end of the Period covered by this report. Further updates will be provided in subsequent reports to creditors.

5 Notice of Intended Dividend

5.1 At present, and after accounting for outstanding liquidation costs, we have funds of approximately £2,000 in hand. It is our intention to pay a final dividend to unsecured creditors within two months of the last date for proving which can be found in the Notice of Intended Dividend enclosed with this report.

5.2 If you have not already submitted a Proof of Debt in the Liquidation, can you please complete and return the enclosed form and return it to us before 15 September 2022, otherwise you will be excluded from any dividend payable after that date.

5.3 Alternatively, we should be obliged if you would inform us if you have no claim in the Liquidation.

6 Joint Liquidators' Remuneration

6.1 Creditors approved that the basis of the Liquidators' remuneration be fixed by reference to the time properly spent by them and their staff in managing the Liquidation. The fees estimate/information was originally provided to creditors when the basis of the remuneration was approved and was based on information available to me at that time.

6.2 A copy of our approved fees estimate for the Liquidation is reproduced below:

Category of work	Estimated Number of Hours	Average blended charge out rate £	Estimated cost £
Administration (inc statutory compliance & reporting)	50.05	220.60	11,041.00
Realisation of assets	38.75	199.54	7,732.00
Creditors (claims & distributions)	28.40	194.70	5,529.50
Investigations	6.45	238.84	1,540.50
Total estimated fees			£25,843.00

6.3 Our time costs for the Period are £14,138.90. This represents 72.30 hours at an average rate of £195.56 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent in managing the Liquidation. To date, £31,614.75 plus expenses shown in the enclosed Receipts and Payments Account has been drawn on account.

6.4 Also attached as Appendix C is a cumulative Time Analysis for the period from 1 August 2019 to 31 July 2022 which provides details of the time costs incurred since the commencement of the Liquidation. The cumulative time costs incurred to date are £36,517.15. This represents 174.55 hours at an average rate of £209.21 per hour.

6.5 Since approval for our previous fees estimate was obtained, it has been necessary to revise this estimate and we would confirm that further approval for our revised fees estimate was sought from creditors and approved on 9 June 2022. The total of our revised fees estimate is now £38,107.55.

6.6 We do not anticipate that any further approval will be necessary following the revision of my previous estimate, in order to conclude the Liquidation.

6.7 We will also update creditors on the anticipated total amount that will be paid to our firm in respect of the revised fees estimate in our next progress report.

6.8 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from www.r3.org.uk/technical-library/england-wales/technical-guidance/fees selecting the guide applicable to the insolvency commencement date in this case - 1 August 2019.

6.9 Attached as Appendix E is additional information in relation to our fees and expenses including where relevant, information on the use of subcontractors and professional advisers.

7 Creditors' Rights

7.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that we provide further information about our remuneration or expenses which have been itemised in this progress report.

- 7.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for our remuneration is inappropriate and/or the remuneration charged or the expenses incurred by us as set out in this progress report, are excessive.

8 Next Report

- 8.1 We are required to provide a further report on the progress of the Liquidation within two months of the next anniversary of the Liquidation, unless we have concluded matters prior to this, in which case we will make our final account available.
- 8.2 If you have any queries in relation to the contents of this report, we can be contacted by email at restructuring@bishopfleming.co.uk.

Yours faithfully



L Venner
Joint Liquidator

23 August 2022

Receipts and Payments Account for the period from the 1 August 2021 to 31 July 2022, and cumulatively from 1 August 2019 to 31 July 2022

**Toucan Graphic Design Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £	From 01/08/2021 To 31/07/2022 £	From 01/08/2019 To 31/07/2022 £
	ASSET REALISATIONS	
	Bank Interest Gross	60.08
980.74	Book Debts	NIL
	Cash at Bank	1,105.32
Uncertain	Directors' Loan Account	95,328.00
	Directors' Loan Account interest	146.28
1.00	Furniture & Equipment	350.00
1.00	Intangible Assets	NIL
	Print Commission	541.24
NIL	S455 tax repayable	NIL
5,969.00	WIP	4,017.00
	55,545.59	101,567.90
	COST OF REALISATIONS	
	Corporation Tax	145.16
	Financial Records fee	207.00
	Insurance of Assets	112.00
	Office Holders' Capital Disbursements	419.00
	Office Holders' Fees	31,614.75
	Preparation of S. of A.	5,000.00
	Solicitors' Fees & Disbursements	1,518.00
	Statutory Advertising	99.30
	(34,192.28)	(39,115.21)
	PREFERENTIAL CREDITORS	
(10,684.27)	Employee Arrears/Hol Pay	2,328.79
	HM Revenue & Customs (PAYE/NIC)	1,133.70
	RPO Arrears & Holiday Pay	7,223.78
	(10,684.27)	(10,684.27)
	UNSECURED CREDITORS	
(51,430.35)	Banks/Institutions	720.87
	Directors	6,897.25
(72,796.80)	Employees	954.33
(115,185.00)	HM Revenue & Customs	11,555.03
	HM Revenue & Customs (PAYE/NIC)	5,875.03
(10,666.66)	Landlord	NIL
	Redundancy Payments Office	6,051.79
(10,335.42)	Trade & Expense Creditors	10,113.01
	(42,167.31)	(42,167.31)
	DISTRIBUTIONS	
(2.00)	Ordinary Shareholders	NIL
	NIL	NIL
(265,148.76)	8,501.73	9,601.11
	REPRESENTED BY	
	Lloyds Virtual Account Manager (2)	9,601.11
		9,601.11

Toucan Graphic Design Limited
Summary of the Joint Liquidator's Time Costs
for the period from 1 August 2021 to 31 July 2022

Classification of work function	Hours					Total Hours	Time Costs £	Average Hourly rate £
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Cashier			
Creditors	-	6.50	17.50	6.60	-	30.60	6,572.95	214.80
Investigations	-	-	-	-	-	-	-	-
Realisation of Assets	-	1.00	1.05	-	-	2.05	491.45	239.73
Statutory & Compliance	-	9.25	12.15	18.25	-	39.65	7,074.50	178.42
Trading	-	-	-	-	-	-	-	-
Total hours and time costs and average rate						72.30	14,138.90	195.56

Toucan Graphic Design Limited
Summary of the Joint Liquidator's Time Costs
for the cumulative period from 1 August 2019 to 31 July 2022

Classification of work function	Hours					Total Hours	Time Costs £	Average Hourly rate £
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Cashier			
Creditors	0.10	9.80	32.05	6.60	-	48.55	10,283.45	211.81
Investigations	0.80	1.90	3.75	-	-	6.45	1,540.50	238.84
Realisation of Assets	0.30	12.35	23.45	-	-	36.10	8,036.45	222.62
Statutory & Compliance	1.50	22.20	39.55	20.20	-	83.45	16,656.75	199.60
Trading	-	-	-	-	-	-	-	-
Total hours and time costs and average rate						174.55	36,517.15	209.21

TOUCAN GRAPHIC DESIGN LIMITED - IN LIQUIDATION

Appendix D

Toucan Graphic Design Limited - In Liquidation Estimated Outcome Statement as at 31 July 2022

	<i>Estimated to realise</i>	<i>Receipts & Payments Account (31/07/2022)</i>	<i>Expected Future Movements</i>	<i>Estimated Final Outcome</i>
ASSET REALISATIONS				
Intangible Assets	1	-	-	-
Furniture & Equipment	1	350	-	350
S456 tax repayable	-	-	-	-
WIP	5,989	4,017	-	4,017
Book Debts	981	-	-	-
Directors' Loan Account	Uncertain	95,328	-	95,328
Directors' Loan Account interest	-	146	-	146
Print Commission	-	541	-	541
Cash at Bank	-	1,105	-	1,105
Bank interest gross	-	80	-	80
		101,568	-	101,568
COSTS OF REALISATIONS				
Corporation Tax		(145)	-	(145)
Financial Records Fee		(207)	-	(207)
Insurance of Assets		(112)	-	(112)
Preparation of S. of A.		(5,000)	-	(5,000)
Liquidators' Remuneration		(31,615)	(6,493)	(38,108)
Liquidators' Category 1 Expenses		(518)	-	(518)
Solicitors' Fees		(1,518)	-	(1,518)
		(39,115)	(6,493)	(45,608)
PREFERENTIAL CREDITORS				
Dividend paid 21 April 2022				(10,684)
				(10,684)
UNSECURED CREDITORS				
Funds available as at 31 July 2022				2,000
Admitted claims as at 31 July 2022				(295,851)
ESTIMATE DIVIDEND TO UNSECURED CREDITORS				0.68
Dividend paid 22 April 2022				42,167
ESTIMATE TOTAL DIVIDEND TO UNSECURED CREDITORS				14.93

Additional Information in Relation to the Joint Liquidators' Fees, Expenses & the use of Subcontractors

Staff Allocation and the use of Subcontractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

We have not utilised the services of any subcontractors on this case.

Professional Advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Kitsons LLP (legal advice)	Time costs and disbursements
Marsh (insurance)	Insurance Scale Rates

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

Joint Liquidators' Expenses

The estimate of expenses which were anticipated at the outset of the Liquidation was provided to creditors when the basis of our fees was approved. The table below compares the anticipated costs against those incurred to date.

Category 1 expenses

These expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses may include expenses which are payments first met by an office holder and then reimbursed from the estate.

Expense	Estimated overall cost £	Paid in Prior Period £	Paid in the period covered by this report £	Incurred but not paid to date £
Legal fees & expenses	1,538.00	Nil	1,538.00	Nil
Statutory advertising	250.00	Nil	286.30	Nil
Specific Penalty Bond	300.00	Nil	250.00	Nil
Insurance	250.00	112.00	Nil	Nil
Financial software access	207.00	207.00	Nil	Nil

Category 2 expenses

These expenses do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may therefore include payments to associates of the office holder or shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Details of Category 2 expenses charged by this firm (where appropriate) were provided at the time our fees were approved by creditors.

No Category 2 expenses have been incurred.