

**In the Matter of G R Joinery North East Limited  
And in the Matter of the Insolvency Act and Rules 1986**

Company Number: 07048796  
Trading As: G R Joinery North East Limited  
Formerly: No previous names  
Registered Office: Unit 12, Algernon Industrial Estate, Shiremoor, NE27 0NB  
Trading Address: Same as above

In accordance with Rule 4.106, I, Eric Walls of KSA Group Limited, C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU, give notice that on 18 February 2011 I was appointed liquidator of G R Joinery North East Limited by resolutions of members and creditors.

Notice is hereby given that the creditors of the above named company, which is being voluntarily wound up, are required, on or before 31 May 2011 to send in their full forenames and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned E Walls (IP No. 9113) of KSA Group Limited, C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU, Alternative Contact: E Walls, [insolvency@ksagroup.co.uk](mailto:insolvency@ksagroup.co.uk), 0191 482 3343, the liquidator of the said company, and, if so required by notice in writing from the said liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution.

Dated: 21 February 2011

E Walls  
Liquidator of G R Joinery North East Ltd

**Report To a Meeting Of Creditors Held Pursuant To Section 98 Of The Insolvency Act 1986  
At Travelodge, Silverlink, Retail Park, Silverlink,  
Coast Road, Newcastle upon Tyne, NE28 9ND  
On 18 February 2011 at 11.15 am**



**1. Statutory Information**

1.1 Detailed below is information extracted either from the statutory books of the company or from records held by the Registrar of Companies.

Previous Names:	G R Joinery North East Limited	
Company Number:	07048796	
Date of Incorporation:	19 October 2009	
Registered Office:	Was Unit 12, Algernon Industrial Estate, Shiremoor, NE27 0NB but recently changed to C12 Marquis Court, Marquisway, Team Valley, Gateshead, NE11 0RU	
Shareholdings:	2 Ordinary Shares of £1, both of which have been issued and fully paid.	
Shareholders:	CMS Tyneside Limited	£1 Ordinary Share 2
Directors in the last 3 years:	Geoffrey Potter	
Company Secretary:	Geoffrey Potter	
Nature of Business:	Joinery services	
Trading Address:	Unit 12, Algernon Industrial Estate, Shiremoor, NE27 0NB	

**2. History of the Company**

- 2.1 The company was incorporated on 19 October 2009. In July 2007, G R Joinery Manufacturing was purchased and began trading as a division of Gofor Trade Windows Limited. The company provided joinery services throughout the North East area.
- 2.2 Prior to the purchase, the purchaser had been assured that the business was solid and profitable. A sale agreement was reached with the seller and a family member was asked to oversee the transitional period. Due to serious personal problems the family member was absent for a long period.
- 2.3 On the advice of accountants a group structure was set up with CMS Tyneside Limited as the holding company and G R Joinery North East Limited and Gofor Trade Windows Limited as separate limited companies, each trading in their own right.
- 2.4 Upon the return of the family member it quickly became apparent that the business was had not been performing as well as the purchaser had been led to believe. There were serious issues with the quality of the work in progress, which had been included in the purchase.
- 2.5 The issues with the work in progress had to be rectified at significant cost to the company. In addition to the above, the company suffered bad debts from certain customers and various contractors were slow to pay, which led to cash flow problems. A further £10,000 was provided by the shareholder to aid cash flow.



- 2.6 The company continued to struggle as a result of action taken against the company for other issues on one of their past contracts. The company was unable to pay the wages and the director negotiated a rent freeze with the landlord in an attempt to ease cash flow.
- 2.7 From October 2010, the company suffered further bad debts and in January 2011 the director decided that the business was no longer viable anymore and the director took the decision to cease trading and seek advice from KSA Group Ltd.
- 2.8 A meeting was arranged with representatives of KSA Group Ltd. Based on financial information provided by the director it was evident that the company was insolvent. After consulting further with representatives of KSA Group Ltd the director felt he had no option but to call the meetings of shareholders and members necessary to place the company into voluntary liquidation.
- 2.9 The director considers that the main reasons for the company's failure were as follows:
1. Issues with the quality of work in progress which had to be rectified; and
  2. A number of significant bad debts and slow payments for work completed.

### **3. Meetings of Members and Creditors**

- 3.1 At a meeting of the board of directors held on 31 January 2011 it was agreed that meetings of members and creditors should be summoned for the purposes of placing the company into Creditors Voluntary Liquidation. Notices were signed summoning the meetings for 18 February 2011. The notices were issued to shareholders and creditors on 31 January 2011.
- 3.2 Accordingly, on 18 February 2011 at a meeting of the shareholders, duly convened at Travelodge, Silverlink, Retail Park, Silverlink, Coast Road, Newcastle upon Tyne, NE28 9ND resolutions were passed placing the company into Voluntary Liquidation and appointing E Walls, who is licensed in the UK to act as an insolvency practitioner by the Insolvency Practitioners Association, liquidator.
- 3.3 Prior to being asked to advise the directors on the affairs of the company the partners and staff of KSA Group Limited had had no material professional relationship with the company, its directors or shareholders.

### **4. Transactions with Associated Companies or Trading Organisations**

- 4.1 As stated above, the company is a wholly owned subsidiary of CMS Tyneside Limited and is associated with Gofor Trade Windows Limited. Both of these companies have given financial support to the company.

### **5. Extracts from Accounts and other Financial Information**

- 5.1 As the company was incorporated 19 October 2009 the accounts do not show any transactions.

### **6. Statement of Affairs**

- 6.1 A statement of affairs of the company as at 18 February 2011 has been prepared by the directors. A summary of the statement of affairs is attached to this report, along with accompanying notes, and an estimated deficiency account in respect of the period of trading.
- 6.2 The statement of affairs takes no account of the cost and expenses of the liquidation or of realising the company's assets.

### **7. Business conducted at the meeting**

- 7.1 No creditors attended the meeting other than the director and one proxy had been received in favour of the chairman.



- 7.2** The chairman opened the meeting and E Walls of KSA Group Ltd, who had been appointed liquidator of the company by the shareholders of G R Joinery North East Limited, presented a brief report to the meeting and reviewed the statement of affairs of the company which had been drawn up to the date of liquidation on his behalf.
- 7.3** There being no further issues raised by the creditors the chairman moved to the formal business of the meeting. Accordingly, creditors approved the following resolutions:
- the appointment of E Walls of KSA Group Ltd, C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU, was confirmed.
  - a creditors' committee was not established.

In the absence of a creditors committee:

- The meeting was informed that an agreed fee of £3,500 plus VAT plus disbursements will be paid to KSA Group Limited in respect of the costs of assisting the director in preparing the statement of affairs and summoning and holding the meetings of members and creditors.
- it was agreed that liquidator's remuneration would be calculated by reference to time costs incurred by the liquidator and his staff and authorisation was given for the liquidator to draw remuneration on account of those time costs when he felt it was appropriate.
- The liquidator informed the meeting that the current charge out rates for staff likely to deal with matters pertaining to this liquidation were as follows:

	£ per hour
Administrators	40 – 100
Managers	100 – 175
Partners	175 – 300

- It was agreed that all disbursements incurred by the liquidator's firm should be reimbursed at direct cost save in the case of postage, stationery and telephone for which a charge of £7.50 per creditor would be levied, and motor travel where a charge of 40p per mile would be made.
- it was agreed that the level of the liquidator's specific performance bond should be set at £10,000

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Insolvency Act 1986

G R Joinery North East Limited  
Estimated Statement Of Affairs as at 18 February 2011



	Book Value £	Estimated to Realise £	
		£	£
<b>ASSETS</b>			
Stock	1,000.00		100.00
Book Debts	16,111.36		8,055.68
			<u>8,155.68</u>
<b>LIABILITIES</b>			
<b>PREFERENTIAL CREDITORS:-</b>			
Employees - Arrears of Pay & Holiday Pay		2,792.63	
			<u>2,792.63</u>
			5,363.05
<b>DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003 OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS</b>			
			<u>NIL</u>
			5,363.05
Estimated prescribed part of net property where applicable (to carry forward)			
			<u>NIL</u>
			5,363.05
<b>DEBTS SECURED BY FLOATING CHARGE POST 15 SEPTEMBER 2003</b>			
			<u>NIL</u>
			5,363.05
Estimated prescribed part of net property where applicable (brought down)			
			<u>NIL</u>
			5,363.05
<b>Unsecured non-preferential claims (excluding any shortfall to floating charge holders)</b>			
Trade & Expense Creditors		49,857.65	
Employees - Redundancy & Notice Pay		25,483.89	
Director's Loan		5,649.01	
			<u>80,990.55</u>
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)			
			<u>(75,627.50)</u>
			(75,627.50)
Issued and called up capital			
Ordinary Shareholders		2.00	
			<u>2.00</u>
<b>TOTAL SURPLUS/(DEFICIENCY)</b>			<u><u>(75,629.50)</u></u>

## **G R Joinery North East Limited – In Liquidation**

### **Notes to the Estimated Statement of Affairs**

#### **2. Chattel Assets**

- 2.1** The chattel assets of the company consist of a small amount of stock. Book values and estimated to realise values attributed to those assets in the statement of affairs have been provided by the director. No professional valuations have been obtained in order to mitigate costs.

#### **3. Book Debts**

- 3.1** The book value figure for debtors has been taken from the books and records of the company as at the date of liquidation. In assessing the amounts estimated to realise the director has written off those debts which are known, or are thought to be, irrecoverable. Following liquidation the liquidator will endeavour to collect all amounts due to the company.

#### **4. Amounts Due to Employees**

- 4.1** In some instances it has been necessary to estimate the amounts due to employees in respect of arrears of wages, holiday pay, pay in lieu of notice and redundancy.

#### **5. Trade and Expense Creditors**

- 5.1** Details of amounts due to creditors have been taken from the books and records of the company. Inclusion in the statement of affairs of the company does not constitute agreement that these amounts are, or were at any time, owed by the company and does not entitle a creditor to participate in any future distribution.

#### **6. Costs and Expenses of Liquidation and Asset Realisation**

- 6.1** The statement of affairs takes no account of the costs and expenses of the liquidation or realising the assets of the company.

B - List of Creditors

**Unsecured Creditors**

<b>Name</b>	<b>Address</b>	<b>£</b>
ARNOLD LAVER TIMBER WORLD	RIVERSIDE SAWMILLS, WAGONWAY ROAD, HEBBURN, TYNE AND WEAR, NE31 1SP	932.81
ASHLEY TIMBER	GARDEN LANE, SOUTH SHIELDS, TYNE AND WEAR, NE33 1PS	653.37
B J ELECTRICAL SERVICES	41 BEAUMONT MANOR, BLYTH, NORTHUMBERLAND, NE24 4LP	222.00
B&Q FINANCIAL SERVICES	SELECTA POST 28, SHEFFIELD, S97 3GE	45.90
BARCLAYCARD	PO BOX 3000, TESSDALE BUSINESS PARK, STOCKTON ON TEES, TS17 6YG	80.36
BARCLAYS BANK PLC	3 NORTHUMBERLAND SQUARE, NORTH SHIELDS, TYNE & WEAR, NE30 1QX	4,158.19
BROOKS BROS LTD	1-3 GLEBE ROAD, SKELMESDALE, LANCASHIRE, WN8 9JP	1,237.97
CUSTODIAN TOTAL SECURITY	17 EAST PERCY STREET, NORTH SHIELDS, c, TYNE AND WEAR	254.07
DOLPHIN TOOLING	6A MAIN STREET, FERRYHILL, COUNTY DURHAM, DL17 8LA	137.97
DONWOOD GLASS	UNIT A23, STONEHILLS, SHIELDS ROAD, GATESHEAD, NE10 0HW	2,126.34
ERNEST BENNETT & CO	AVIATION WAY, TEES VALLEY AIRPORT, DARLINGTON, DURHAM, DL2 1NA	109.88
GLASS CO LIMITED	8-10 SALTMEADOWS ROAD, EAST GATESHEAD IND EST, GATESHEAD, NE8 3AH	337.64
GOFOR TRADE WINDOWS LTD	UNIT G2, NARVIK WAY, TYNE TUNNEL TRADING EST, NORTH SHIELDS, NE29 7XJ	689.96
HEBDEN AND HOLDING LTD	KEIGHLEY INDUSTRIAL PARK, ROYD INGS AVENUE, KEIGHLEY, BD21 4DZ	2,077.06
HM Revenue & Customs	Insolvency Operations, Queens Dock, Liverpool, L74 4AP	6,000.00
HM Revenue & Customs	Durrington Bridge House, Barrington Road, Worthing, BN12 4SE	9,000.00
J & P HARDWARE LIMITED	6-8 INVINCIBLE DRIVE, ARMSTRONG IND EST, NEWCASTLE, NE47 7HX	134.42
JAMES LATHAM GATESHEAD	NEST ROAD, FELLING IND EST, GATESHEAD, NEWCASTLE, NE10 0LU	1,276.86
N L JOINERY	1 WENTWORTH GARDENS, WEST MONKSEATON, WHITLEY BAY, NE25 9QA	288.50
NORSEAL LTD	NORSEAL HOUSE, 5 REGENTS DRIVE, PRUDHOE, NORTHUMBERLAND, NE42 6PX	151.20
NORTH TYNESIDE COUNCIL	P O BOX 70 WALLSEND, TYNE AND WEAR, NE28 6WN	13,252.15
PANEL KING	UNTI B1, ROMANWAY INDUSTRIAL ESTATE, BISHOP AUCKLAND, DL14 9AW	1,075.13
PERCY A HUDSON	THE BOROUGH SAWMILLS, NORTHUMBERLAND ST, NORTH SHIELDS, NE30 1DW	213.87
ROBERT DUNCAN TIMBER LTD	GREEN LANE SAWMILL, FELLING, GATESHEAD, NEWCASTLE, NE10 0JS	3,546.10
SHIREMOOR COMPRESSORS LTD	11 FRONT STREET, SEGHILL, NORTHUMBERLAND, NE23 7TQ	72.22
SOVERIEGN CHEMICALS	BARROW-IN-FURNESS, CUMBRIA, LA14 4QU	712.49
STEVENS INDUSTRIAL SERVICES	UNTI 7, HATFIELD WAY, SOUTH CHURCH PARK, BISHOP AUCKLAND, DL14 6XF	151.69
SYNTEMA NORTH EAST LTD	UNIT B8, HAMAR CLOSE, TYNE TUNNEL EST, NORTH SHIELDS, NE29 7XB	22.27
U-FIT WINDOWS & JOINERY	3 PERCY CRESCENT, NORTH SHIELDS, TYNE AND WEAR, NE29 6HP	125.00
WADDS LTD	UNIT B, AQUARIUS PARK, KINGSWAY NORTH, TEAM VALLEY, GATESHEAD, NE11 0J	772.23
<b>Total</b>		<b>49,857.65</b>

Signature \_\_\_\_\_ Date \_\_\_\_\_

**G R Joinery North East Limited**

**Estimated Deficiency Account  
For the period from 19 October 2009 to 18 February 2011.**

	£	£
Reserves Balance at 19 October 2009		NIL
Amounts written off for the purposes of the statement		
Stock	900	
Book Debts	8,056	
	<hr/>	<hr/> (8,956)
		(8,956)
Extraordinary Items		
Employees Claims - Redundancy & Notice Pay		<hr/> (2,950)
		(11,906)
ASSUMED TRADING PROFIT/(LOSS) FOR THE PERIOD		<hr/> (63,722)
CREDITORS DEFICIENCY PER STATEMENT OF AFFAIRS		<hr/> (75,628)