

**In the Matter of K9 Capers.com Limited
And in the Matter of the Insolvency Act and Rules 1986**

Company Number: 05622925
Trading As: K9 Capers.com Limited
Formerly: No previous names
Registered Office: 51 Gatwick Road, Crawley, West Sussex, RH10 9RD
Trading Address: Imperial Centre, 41-43 Gatwick Road, Crawley, West Sussex, RH10 9LD

In accordance with Rule 4.106, we, Eric Walls and Wayne Harrison of KSA Group Limited, C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU, give notice that on 19 January 2012 we were appointed joint liquidators of K9 Capers.com 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 30 April 2012 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) and W Harrison (IP No. 9703) of KSA Group Limited, C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU, Alternative Contact: E Walls, insolvency@ksagroup.co.uk, 0191 482 3343, the joint liquidators of the said company, and, if so required by notice in writing from the said liquidators, 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: 23 January 2012

E Walls
Joint Liquidator of K9 Capers.com Ltd

Insolvency Act 1986
 K9Capers.Com Limited
 Estimated Statement Of Affairs as at 19 January 2012



	Book Value £	Estimated to Realise £	£
ASSETS			
Motor Vehicle	6,500.00	6,500.00	
PSA Finance	(6,600.00)	(6,600.00)	
Deficiency c/d		(100.00)	
Motor Vehicle	3,972.00		2,000.00
Stock	20,000.00		20,000.00
Website, Intellectual Property, database	1.00		24,000.00
Book Debts - Estimated	20,000.00		20,000.00
Office equipment, fixtures & fittings	5,407.00		1,930.00
			<u>67,930.00</u>
LIABILITIES			
PREFERENTIAL CREDITORS:-			
Employees - Arrears of Pay		808.82	
			<u>808.82</u>
			67,121.18
DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003			
OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS			
			<u>NIL</u>
			67,121.18
Estimated prescribed part of net property where applicable (to carry forward)			
			<u>NIL</u>
			67,121.18
DEBTS SECURED BY FLOATING CHARGE POST 15 SEPTEMBER 2003			
			<u>NIL</u>
			67,121.18
Estimated prescribed part of net property where applicable (brought down)			
			<u>NIL</u>
			67,121.18
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)			
Deficiency b/d		100.00	
Trade & Expense Creditors		132,590.33	
Employees - Redundancy Pay (Estimated)		2,905.76	
			<u>135,596.09</u>
Estimated deficiency/surplus as regards non-preferential creditors			
(excluding any shortfall in respect of F.C's post 14 September 2003)			
			<u>(68,474.91)</u>
			(68,474.91)
Issued and called up capital			
Ordinary Shareholders		91.00	
			<u>91.00</u>
TOTAL SURPLUS/(DEFICIENCY)			<u><u>(68,565.91)</u></u>

K9 Capers.com Limited – In Liquidation
Notes to the Estimated Statement of Affairs



1. Website, intellectual property rights and database

1.1 The intangible assets of the company, which consist of the company's website, intellectual property rights and a database, have been valued by Charterfields, international asset consultants. No book value was attributed to those assets in the company's most recent annual accounts. An offer of £24,000 to purchase the company's remaining intangible assets was received from an unconnected third party and on the advice of agents this offer was accepted.

2. Chattel Assets and Motor Vehicles

2.1 The chattel assets of the company, which consist of two motor vehicles, stock and some office equipment and fixtures and fittings, have been valued by Charterfields, international asset consultants. Book values attributed to those assets in the statement of affairs have been taken from the company's annual accounts for the year ended 30 November 2010.

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.

3.2 The directors have valued the book debts on this basis that they are fully collectable. Following liquidation the liquidators 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 and redundancy pay.

5. Prescribed Part of Net Property

5.1 As a result of the Enterprise Act 2002 the preferential creditor status of HM Revenue and Customs, in respect of PAYE, NIC deductions and VAT, was abolished. This change in legalisation also introduced provisions for the liquidator to set aside a certain proportion of the company's net property to deal with the claims of unsecured creditors in advance of the claims of the holder of a floating charge. The company granted a debenture on 5 May 2010 to Bibby Financial Services giving fixed and floating charges over the assets of the company.

6. Trade and Expense Creditors

6.1 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.

7. Costs and Expenses of Liquidation and Asset Realisation

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

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:	None Known						
Company Number:	05622925						
Date of Incorporation:	15 November 2005						
Registered Office:	Was 51 Gatwick Road, Crawley, West Sussex, RH10 9LD but will shortly change to C12 Marquis Court, Marquisway, Team Valley, Gateshead, NE11 0RU						
	9,100 Ordinary Shares of £0.01, all of which have been issued and fully paid.						
Shareholders:	<table><thead><tr><th></th><th>£0.01 Ordinary Share</th></tr></thead><tbody><tr><td>Tim White</td><td>9,000</td></tr><tr><td>Cindy Thompson</td><td>100</td></tr></tbody></table>		£0.01 Ordinary Share	Tim White	9,000	Cindy Thompson	100
	£0.01 Ordinary Share						
Tim White	9,000						
Cindy Thompson	100						
Directors in the last 3 years:	Tim White Cindy Thompson						
Company Secretary:	Cindy Thompson						
Nature of Business:	The provision of pet care products and services						
Trading Address:	Imperial Centre, 41-43 Gatwick Road, Crawley, West Sussex, RH10 9LD						

2. History of the Company

- 2.1 The company was incorporated on 15 November 2005 and began trading shortly thereafter. The company supplied pet care products and services under a franchise agreement.
- 2.2 Following incorporation the business grew quickly. In 2006 the company was a victim of an online hacking attack during one of its busiest periods. Unfortunately there was little the UK police could do to assist the company, however, with help from the company's Pay Pal account, the directors managed to secure an arrest in Singapore. The company made good the losses to its customers and suppliers.
- 2.3 As time progressed, the business continued to grow however, it was discovered that the company's financial reporting system had some integrity issues, which was caused by rounding problems in relation to VAT. It was later discovered that the company had over 4 years of unpaid VAT to repay, albeit the amounts were small, it was increased by a further £9,000 after the addition of interest and late penalty charges.
- 2.4 The directors continued to trade the company in an effort to clear its historical liabilities. Around the same time, the company's main supplier reduced the company's credit terms which negatively affected its cash flow. In addition to this, one of the company's main suppliers was purchased by another firm and discontinued its product leading to an annual loss in sales of c£70,000.

- 2.5** In April 2010, one of the company's stores was flooded resulting in a significant loss of stock to the business. It later transpired that the store had no contents insurance and this led to further losses for the company.
- 2.6** On 12 November 2011, after one of the directors had been absent to deal with a personal matter, the company's bankers wrote to the company to inform them that they would be withholding funds received into the company's bank account as the company's balance sheet position had deteriorated due to the issues detailed above. This was significant and negatively affected the cash flow of the business. The company was expected to wait four weeks to receive its sale proceeds, which was not feasible for the business to continue trading particularly in the current economic climate.
- 2.7** Accordingly, a meeting was arranged with representatives of KSA Group Ltd. Based on financial information provided by the directors it was evident that the company was insolvent. After consulting further with representatives of KSA Group Ltd the directors felt they had no option but to call the meetings of shareholders and members necessary to place the company into voluntary liquidation.
- 2.8** The directors consider that the main reasons for the company's failure were as follows:
1. The unforeseen events which led to unexpected losses, namely the flood and the loss of a main supplier; and
 2. The change by the company's bankers to withhold funds which was detrimental to cash flow necessary to continue trading.

3. Meetings of Members and Creditors

- 3.1** At a meeting of the board of directors held on 19 December 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 19 January 2012. The notices were issued to shareholders and creditors on 22 December 2011.
- 3.2** Accordingly, on 19 January 2012 at a meeting of the shareholders, duly convened at the offices of KSA Group Ltd, Tower 42, Level 7, 25 Old Broad Street, London, EC2N 1HN resolutions were passed placing the company into Voluntary Liquidation and appointing E Walls and W Harrison, who are licensed in the UK to act as insolvency practitioners by the Insolvency Practitioners Association, joint liquidators.
- 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** There are no known associated companies or trading organisations, however the company operated as a franchise. The directors have confirmed that all transactions between the different franchises were carried out at arm's length at normal commercial rates. Transactions between the franchises will be reviewed by the liquidators in due course.

5. Extracts from Accounts and other Financial Information

- 5.1** A summary of the company's recent financial history is attached to this report.

6. Statement of Affairs

- 6.1** A statement of affairs of the company as at 19 January 2012 has been prepared by the director. 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. A number of proxies were received in favour of the chairman.

7.2 The chairman opened the meeting and W Harrison of KSA Group Ltd, who had been appointed joint liquidator of the company along with E Walls by the shareholders of K9 Capers.com 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 and W Harrison 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:

- meeting was informed that an agreed fee of £4,500 plus VAT plus disbursements will be paid to KSA Group Limited in respect of the costs of assisting the directors in preparing the statement of affairs and summoning and holding the meetings of members and creditors. The meeting was also informed that KSA Group Ltd were holding funds of £5,400 which was made up from the company's cash at bank.
- it was agreed that liquidators' remuneration would be calculated by reference to time costs incurred by the liquidators and their staff and authorisation was given for the liquidators to draw remuneration on account of those time costs when they felt it was appropriate.
- The liquidators 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 liquidators' 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 45p per mile would be made.
- it was agreed that the level of the liquidators' specific performance bond should be set at £100,000

Estimated Deficiency Account
For the period from 1 December 2010 to 19 January 2012.

	£	£
Reserves Balance at 30 November 2010		(113,687)
Amounts written off for the purposes of the statement		
Motor Vehicle	1,972	
Stock	16,750	
Website, Intellectual property & database	(23,999)	
Office equipment, fixtures & fittings	3,477	
	<hr/>	<hr/> (1,800)
		(111,887)
Extraordinary Items		
Employees - Redundancy Pay		<hr/> 2,906
		(114,793)
ASSUMED TRADING PROFIT/(LOSS) FOR THE PERIOD		<hr/> (183,268)
CREDITORS DEFICIENCY PER STATEMENT OF AFFAIRS		<hr/> (68,475)

B - List of Creditors

Unsecured Creditors

Name	Address	£
Adfero Ltd	c/o Griffin Law, 25 Southampton Building, London, WC2A 1AL	2,000.00
Almo Nature UK Limited	Victoria Road South, Chelmsford, Essex, CM1 1LN	1,265.37
Barclays Bank plc	Market Place, Staines, Middlesex, TW18 4PS	20,000.00
Bern Pet Foods	The Old Tannery, Oakdene Road, Redhill, Surrey, RH1 6BT	7,107.98
Creature Comforts	Units 1 - 4 Bosleake Workshops, Whitcross Hill, Redruth, TR15 3YG	136.20
Golden Acres Limited	The Barrons, Church Road, Tarleton, Presto, Lancashire, PR4 6UP	2,507.68
HM Revenue & Customs	Insolvency Operations, Queens Dock, Liverpool, L74 4AF	20,000.00
Interpet Ltd	Interpet House, Vincent Lane, Dorking, RH4 3YX	3.79
Jenkinson & Associates	23 Ashville Way, Whetstone, Leicestershire, LE8 6NU	900.00
Lawn Imperial Ltd	Luncegate cottage, Paddockhurst Lane, Balcombe, RH17 6QZ	28,773.19
National Veterinary Services	Unit 4, Jamage Industrial Estate, Talke Pits, Stoke-on-Trent, ST7 1XW	1,196.52
Pedigree Wholesale Ltd	Unit 1, Albert Drive, Victoria Ind Est, Burgess Hill, West Sussex, RH15 9TN	12,752.38
Pet Food (UK) Ltd	Westside, London Road, Apsley, Hemel Hempstead, HP3 9YF	13,491.01
Petlife International Ltd	Minster House, Western Way, Bury St Edmunds, Suffolk, IP33 3SP	534.43
Petmeds Ltd	Unit 23, Angerstein Business Park, Greenwich, London, SE10 0RT	1.00
Surrey Wholesal Packaging	Fleming Way, Crawley, West Sussex, RH10 9JY	723.19
Tim White	12 Withey Brook, Reigate Road, Horley, RH6 0AW	10,000.00
Viking Direct Ltd	PO Box 279, Leicester, Leicestershire, LE3 1YU	552.29
Vital Pet Products	The Barton, North Tawton, Devon, EX20 2BB	10,645.30
	Total	132,590.33

Signature _____ Date _____