

The Insolvency Act 1986

**Administrator's progress report**

Name of Company Broglia Press 86 Limited	Company number 01523936
In the High Court of Justice, Birmingham District Registry (full name of court)	Court case number 8450 of 2010

(a) Insert full  
name(s) and  
address(es) of  
administrator(s)


I/We (a)  
Alexander Kinninmonth  
RSM Tenon Recovery  
Highfield Court, Tollgate  
Chandlers Ford  
Eastleigh  
Hampshire, SO53 3TZ

Nigel Ian Fox  
RSM Tenon Recovery  
Highfield Court, Tollgate  
Chandlers Ford  
Eastleigh  
Hampshire, SO53 3TZ

administrator(s) of the above company attach a progress report for the period

From (b) Insert date (b) 4 April 2011	To (b) 15 September 2011
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Signed



Joint / Administrator(s)

Dated

16 September 2011

TUESDAY



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11/10/2011

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COMPANIES HOUSE

**Broglia Press 86 Limited (“the Company”) – In Administration**

**Joint Administrators’ Report to Request Extension  
for the period from 4 April 2011 to 15 September 2011**

**Issued on: 15 September 2011**

Alexander Kinninmonth and Nigel Ian Fox of RSM Tenon Recovery are the Joint Administrators of the Company and this is their report on the progress of the administration of the Company for the period from 4 April 2011 to 9 September 2011. This report should be read in conjunction with the previous progress report.

## **1. Statutory Information**

Statutory information relating to the Company is attached at **Appendix I**

## **2. Joint Administrators' receipts and payment account**

A summary of the Joint Administrators' receipts and payments account relating to the Company for the relevant period from 4 April 2011 to 9 September 2011 and cumulatively (from appointment on 4 October 2010 to date of this report) is attached at **Appendix II**

## **3 Action taken by the Joint Administrators since last report**

As previously advised Joint Administrators' proposals for achieving the purpose of the Administration were deemed to be approved by creditors on 24 November 2010

As mentioned in previous reports, RBS Invoice Finance Limited ("RBSIF") has a fixed charge over the Company's book debts and upon the Joint Administrators' appointment, instructed the RSM Tenon Finsbury Circus debt collection team to collect the ledger on their behalf. Total collections to date are £679,480.96 and there is an amount of £58,553.24 owing to RBSIF. I have been advised that the debtor collection is now reaching completion with a few smaller debtors to pay, including a payment plan which is due to be spread over 14 months.

A further amount of £177.95 has been received in the period.

Bank interest in the sum of £13.58 has accrued.

The Company operated four pension schemes and I instructed Alexander Forbes Trustee Services Limited ("Alexander Forbes") to ensure that all of the contributions owed by the Company had been paid and to make sure that no further action was required by the Joint Administrators. To date Alexander Forbes have prepared reports on three of the pension schemes and have advised that they are still awaiting further information from the pension trustee to complete the final report.

## **4. Liabilities and dividends**

### **Secured Creditors**

As mentioned in my progress report for the period 4 October 2010 to 3 April 2011, Gold Group Printing Limited have received the sum of £371,000 under the terms of their chattel mortgage over the printing presses.

RBSIF have to date received £679,480.96 and it is now likely that there will be a shortfall on the money owed to RBSIF.

### **Preferential Creditors**

The former employees of the Company submitted claims to the Redundancy Payments Office ("RPO") for arrears of wages and holiday pay. A claim in the sum of £40,905.61 has been received from the RPO. Unfortunately,

due to insufficient realisations, it is not expected that there will be a distribution to preferential creditors in this regard

### **Unsecured Creditors**

Claims of £1,964,897 have been received from unsecured creditors to date. Unfortunately, due to insufficient realisations, it is not expected that a distribution to unsecured creditors will be made in this regard

### **5. Joint Administrators' Remuneration, Disbursements and Expenses**

The Joint Administrators' Proposals provided for the Joint Administrators to be remunerated with reference to time properly spent in dealing with matters in the Administration, up to a maximum of £140,000, and that disbursements would be drawn in accordance with the tariff outlined in **Appendix III**. The Joint Administrators' remuneration and disbursements on the basis outlined in the Proposals were approved by the secured and preferential creditors on 27 January 2011.

#### *Remuneration charged and drawn in the period*

The Joint Administrators' time costs were charged (exc VAT) as follows

For this period, from 4 April 2011 to 15 September 2011	£7,540 75
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Since appointment on 4 October 2010 to 9 September 2011	£134,064 75
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In accordance with Statement of Insolvency Practice 9, attached at **Appendix III** is a breakdown of these time costs

Time costs drawn are as follows

In this period, from 4 April 2011 to 9 September 2011	£10,000 00
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Since appointment on 4 October 2010 to 3 April 2011	£111,532 00
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<b>Total</b>	<b>£121,532.00</b>
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#### *Disbursements incurred and drawn*

The Joint Administrators' disbursements incurred during the period of this report and those reimbursed in the period are summarised below. Details are in the attached Appendix III

	Incurred	Paid
Category 1 disbursements for this period, from 4 April 2011 to 9 September 2011	£1,403 06	£201 60
Category 2 disbursements for this period, from 4 April 2011 to 9 September 2011	£310 40	£32 90
Category 1 disbursements since appointment on 4 October 2010 to 9 September 2011	£2,030 96	£827 50

Category 2 disbursements since appointment on 4 October 2010 to 9 September 2011	£372 10	£72 95
<b>Total</b>	<b>£2,403.06</b>	<b>£900.45</b>

#### *Pre-administration costs*

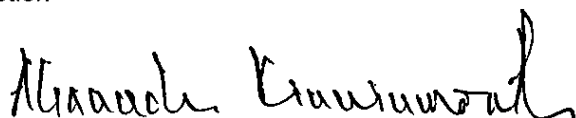
The secured and preferential creditors resolved on 27 January 2011 that the Joint Administrators be authorised to draw pre-appointment costs of £18,468 plus VAT, including fees charged plus expenses and disbursements incurred by them, out of the assets of the Company as an expense of the Administration, and to be drawn as and when funds permit. These costs have been paid in full.

#### *Creditors' Guide to Fees and statement of creditors' rights*

Creditors have a right to request further information from the Administrators and additionally have a right to challenge the Administrators' remuneration and expenses: time limits apply. Details can be found in the document 'Remuneration Guidelines Administration (post 6 April 2010)' which you can access and download at <http://www.rsmtenon.com/creditorguides>. Alternatively a copy is available free of charge upon request from the address above.

## **6. End of Administration**

As mentioned previously, it is necessary to extend by the Administration by 6 months to enable the RSM Tenon Finsbury Circus debtor collection team to continue to collect the Company's book debts on behalf of RBSIF, which I have been advised is likely to take a further 14 months. After this 6 month extension period has expired, it is the Joint Administrators' intention to place the Company into Compulsory Liquidation so that the debtor collection can be completed. I would be grateful if you could please let me know if you have any objections to this course of action.



**Alexandr Kinninmonth**

Joint Administrator

*Licensed in the United Kingdom to act as an insolvency practitioner by the Association of Chartered Certified Accountants  
The affairs, business and property of the Company are being managed by the Administrators*

**Company Information**

Company Name	Broglia Press 86 Limited
Previous Name	Solarwell Limited
Company Number	01523936
Date of Incorporation	22 October 1980
Trading Address	Enterprise House, 52 Holton Road, Holton Heath Trading Park, Poole, Dorset, BH16 6LQ
Current Registered Office	Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire, SO53 3TZ
Former Registered Office	4 Cedar Park Cobham Road, Ferndown Industrial Estate, Wimborne, Dorset, BH21 7SF
Principal Trading Activity	Printing

**Appointment details**

Joint Administrators' name and address	Alexander Kinninmonth of RSM Tenon Recovery, Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire, SO53 3TZ and Nigel Ian Fox of RSM Tenon Recovery Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire, SO53 3TZ
Date of appointment	4 October 2010
Court Name and Reference	High Court of Justice, Birmingham District Registry 8450 / 2010
Appointment made by	QFC
Actions of Joint Administrators	Any act required or authorised under any enactment to be done by an Administrator may be done by either or both of the Administrators acting jointly or alone

**Broglia Press 86 Limited**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

Statement of Affairs		From 04/04/2011 To 15/09/2011	From 04/10/2010 To 15/09/2011
	<b>SECURED ASSETS</b>		
618,185 00	Book Debts	NIL	43,752 52
		NIL	43,752 52
	<b>SECURED CREDITORS</b>		
(563,590 00)	RBS Invoice Finance	NIL	43,752 52
		NIL	(43,752 52)
	<b>HIRE PURCHASE</b>		
350,000 00	Printing presses	NIL	371,000 00
(110,000 00)	Gold Group - chattel mortgage	NIL	(371,000 00)
		NIL	NIL
	<b>ASSET REALISATIONS</b>		
95,000 00	Plant & Machinery	NIL	192,419 49
1,750 00	Furniture & Equipment	NIL	NIL
4,540 00	Unfactored Book Debts	NIL	3,795 25
1,938 00	Cash at Bank	177 95	2,115 50
22,667 00	Work in progress	NIL	22,667 44
	Bank Interest Gross	13 58	15 99
	Petty Cash	NIL	4 27
		191 53	221,017 94
	<b>COST OF REALISATIONS</b>		
	Pre-Appointment Fees	NIL	18,468 00
	Administrator's Fees	10,000 00	121,532 00
	Administrator's Expenses	NIL	1,209 27
	Debt collection fees	NIL	100 00
	Agents Fees	2,090 54	42,868 25
	Legal Fees	NIL	11,385 50
	Accountants fees	NIL	675 00
	Wages	NIL	3,539 83
	IT Charges	NIL	1,450 00
	Retention of title payments	NIL	1,295 00
	Equipment rental	NIL	787 06
	Statutory Advertising	NIL	62 50
	Property Expenses	2,114 71	6,083 36
	Insurance of Assets	NIL	4,884 46
	Bank Charges	NIL	21 00
		(14,205 25)	(214,361 23)
	<b>PREFERENTIAL CREDITORS</b>		
(59,441 00)	DE Arrears & Holiday Pay	NIL	NIL
(13,098 00)	Employee Arrears/Hol Pay	NIL	NIL
		NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(1,364,066 00)	Trade & Expense Creditors	NIL	NIL
(81,846 00)	Employees	NIL	NIL
(611,447 00)	Redundancy Payments Office	NIL	NIL
(321,708 00)	HM Revenue & Customs - PAYE	NIL	NIL
(16,074 00)	HM Revenue & Customs - VAT	NIL	NIL
		NIL	NIL

**Broglia Press 86 Limited**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

Statement of Affairs		From 04/04/2011 To 15/09/2011	From 04/10/2010 To 15/09/2011
DISTRIBUTIONS			
(500,000 00)	Preference Shareholders	NIL	NIL
(339 00)	Ordinary Shareholders	NIL	NIL
(674,901 00)	Share premium	NIL	NIL
		NIL	NIL
<hr/>		<hr/>	
<b>(3,222,430.00)</b>		<b>(14,013.72)</b>	<b>6,656.71</b>
<hr/>		<hr/>	
REPRESENTED BY			
	Vat Receivable		60 00
	Interest Bearing Current Account		6,596 71
			<hr/>
			<b>6,656.71</b>
			<hr/>



## **Appendix III – Information relating to the Joint Administrators’ Fees and Expenses**

**Broglia Press 86 Limited**

**Information relating to the Joint Administrators' Fees and Expenses**

**1. Explanation of Administrators' charging and disbursement recovery policies**

**1 1. Time recording**

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge-out rates are

Grade	£
Director and associate director	340 – 435
Senior manager, manager & Supervisor	205 - 310
Other senior professionals	150 - 170
Support and administration staff	95 - 105

**1 2 Disbursement recovery**

Disbursements are categorised as either Category 1 or Category 2

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by RSM Tenon Recovery and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred. Examples of Category 1 expenses are postage, case advertising, specific bond insurance, company search fees, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Category 2 disbursements include elements of shared or allocated costs incurred by RSM Tenon Recovery and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, and internal storage.

The current levels of Category 2 disbursements recovered by RSM Tenon Recovery are as follows

<b>Category</b>	<b>Basis</b>
stationery	4p, 3p, 35p per envelope, letterhead or label
photocopying	5p per page
faxes	50p per page
storage	£7 20 per box per year
room hire	£100 fixed charge

The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally

## **2. Description of work carried out**

Section 4 of this appendix outlines the time costs to date in relation to activities undertaken during this period. These can be summarised as follows:

### **2.1. Pre-appointment**

Details of the Joint Administrators' pre-administration costs are set out in the main body of the report.

### **2.2. Administration and planning**

This includes the following activities which have been undertaken:

- > Statutory duties associated with the appointment including the filing of relevant notices,
- > Notification of the appointment to creditors, members, employees and other interested parties,
- > Reviewing available information to determine appropriate strategy,
- > Maintaining bank accounts,
- > 6 monthly progress review of the case

Staff of different levels were involved in the above activities depending upon the experience required.

### **2.3. Investigations**

The time spent includes:

- > Corresponding with the former directors and management,
- > Review of questionnaires and comments provided by interested parties,
- > Review of company documentation,
- > Completion of statutory returns to the Insolvency Service

Due to the complex nature and importance of the investigations, the staff utilised to conduct such work involved experienced members of staff.

## **2 4. Realisation of assets**

Please refer to the main body of the report but in summary the time spent includes

- > Liaison with agents and solicitors,
- > Correspondence and meetings with interested parties,
- > Monitoring and chasing of deposits,
- > Agreement of contracts

Staff were chosen depending upon the appropriate level of experience required for the activity they were required to undertake

## **2.5. Creditors**

The time spent includes the following matters

- > Recording and maintaining the list of creditors,
- > Dealing with employee related matters,
- > Dealing with retention of title claims,
- > Recording creditor claims
- > Reporting to creditors,
- > Meetings of creditors,
- > Dealing with creditor queries,
- > Reviewing and evaluating creditor claims

## **3 Time and charge-out summary**

For the period of the report from 4 April 2010 to 15 September 2011, a total of 41 25 hours have been spent at an average charge out rate of £182 811 bringing the cost for this period to £7,540 75

From appointment on 4 October 2011 to 15 September 2011, a total of 543 20 hours have been spent at an average charge out rate of £246 80 bringing the total cost to date to £134,064 75

The tables on the following pages show details of the time costs charged (exc VAT) in the periods

## SIP9 Detailed

5011772 Broglia Press 86 Limited

Corp Administration/Post appt

04/04/2011 to 15/09/2011

RSM Tenon

SIP9 SubCategory	Director and Associate Director	Manager	Other Senior Professional	Assistant and Support Staff	Other Rates	Original
<b>Administration and planning</b>						
General Administration	0 50	0 20	14 20	1 00	15 90	169 09
Strategy / Review	0 00	0 00	1 00	0 00	1 00	150 00
Pension Scheme (General)	0 00	0 00	2 10	0 00	2 10	163 33
Cashiering (Administration)	0 00	0 00	5 95	0 00	5 95	169 45
	0 50	0 20	23 25	1 00	24 95	167 93
<b>Creditors</b>						
Other Creditor Related Activities	1 00	0 00	4 50	3 80	9 30	171 08
Employee Related Tasks	0 20	0 00	1 90	0 00	2 10	226 90
Reporting to Secured Creditor	0 00	0 00	1 00	0 00	1 00	150 00
	1 20	0 00	7 40	3 80	12 40	178 83
<b>Realisation of assets</b>						
FL Stock & WIP	0 00	1 00	0 00	0 00	1 00	310 00
FX Asset General	0 00	0 00	0 30	0 00	0 30	150 00
FX Book Debt Realisation	0 50	0 00	0 00	0 00	0 50	435 00
FL Asset General	1 20	0 00	0 90	0 00	2 10	267 14
	1 70	1 00	1 20	0 00	3 90	1,133 50
	3 40	1 20	31 85	4 80	41 25	
Hours						
Charge	1,365.00	363 00	5,308 75	504 00		7,540 75

## SIP9 Detailed

5011772 Broglia Press 86 Limited

Corp Administration/Post appt

04/10/2010 to 15/09/2011

## RSM Tenon

Sig SubCategory	Practising Associate Director	Manager	Other Senior Professional	Assistant Support Staff	Total Hours	Cost
<b>Administration and planning</b>						
General Administration	7 40	26 40	98 25	3 70	135 75	185 30
Strategy / Review	0 00	0 00	4 50	10 50	15 00	358 47
Tax Post Appointment	0 00	0 00	0 00	1 70	1 70	120 00
Pension Scheme (General)	0 00	0 00	7 10	0 00	7 10	150 56
Cashiering (Administration)	0 00	0 00	23 25	0 00	23 25	161 67
	7 40	26 40	133 10	15 90	182 80	35,563 75
<b>Creditors</b>						
Other Creditor Related Activities	39 90	47 00	23 60	14 10	124 60	267 73
Employee Related Tasks	0 20	1 00	39 70	2 30	43 20	178 02
Reporting to Secured Creditor	0 00	0 00	1 00	0 60	1 60	262 50
Retention of Title	0 00	0 00	0 50	0 00	0 50	140 00
Secured Creditors	0 00	0 00	0 00	6 00	6 00	450 00
	40 10	48 00	64 80	23 00	175 90	44,239 50
<b>Investigations</b>						
Investigations	0 80	6 50	20 50	0 20	28 00	194 50
	0 80	6 50	20 50	0 20	28 00	5,446 00
<b>Realisation of assets</b>						
FL Stock & WIP	0 00	1 00	0 00	0 50	1 50	356 67
FL Freehold & Leasehold	0 00	0 00	0 50	0 00	0 50	144 00
FX Asset General	4 60	0 00	0 70	1 80	7 10	339 44

Site SubCategory	Director and Associate Director	Manager	Other Senior Professional	Assistant and Support Staff	Total Hours	Charge	Original
FX Book Debt Realisation	0 50	0 00	0 00	0 00	0 50		435 00
FX Plant & Machinery	0 00	0 00	0 00	4 20	4 20		450 00
Tax - Refund	0 00	0 00	0 60	0 00	0 60		150 00
Book Debt Realisation (Uncharged)	0 00	0 00	0 90	0 00	0 90		140 00
FL Asset General	93 10	38 20	6 80	0 80	138 90		309 64
FL Book Debt Realisation	0 00	0 00	1 80	0 00	1 80		150 00
Plant & Machinery	0 00	0 00	0 10	0 40	0 50		392 00
	98 20	39 20	11 40	7 70	156 50	48,815 50	311 92
Hours	146 50	120 10	229 80	46 80	543 20		
Charge	48,050 00	35,741 50	34,920 25	15,353 00		134,064 75	

#### 4 Disbursements

Disbursements incurred during the period of this report and cumulatively, and those reimbursed in the period and cumulatively to end of current period, are detailed below

Disbursements	This period		Previous period		Cumulatively	
	Incurred £	Paid £	Incurred £	Paid £	Incurred £	Paid £
<i>Category 1</i>						
Mileage	0 00	0 00	474 40	472 40	474 40	472 40
Postage	277 65	201 60	108 36	108 36	386 01	309 96
Court Fees	60 41	0 00	0 00	0 00	60 41	0 00
Re-direction of Mail	0 00	0 00	25 69	25 69	25 69	25 69
Insurance	1,065 00	0 00	0 00	0 00	1,065 00	0 00
Subsistence	0 00	0 00	19 45	19 45	19 45	19 45
<b>Total</b>	<b>1,403 06</b>	<b>201.60</b>	<b>627.90</b>	<b>625 90</b>	<b>2,030.96</b>	<b>827.50</b>
<i>Category 2</i>						
Stationery	32 90	32 90	21 00	21 00	53 90	53 90
Photocopying	277 50	0 00	40 70	19 50	318 20	19 50
<b>Total</b>	<b>310 40</b>	<b>32 90</b>	<b>61 70</b>	<b>40.05</b>	<b>372 10</b>	<b>7.40</b>

The above costs exclude VAT

#### 5 Professional advisors and expenses

The Joint Administrators have incurred Administration expenses in connection with the instruction of the parties shown below. Expenses incurred during the period of this report and cumulatively, and those paid in the period and cumulatively to end of current period are detailed

Name & Activity	This period		Last Period		Cumulatively	
	Incurred £	Paid £	Incurred £	Paid £	Incurred £	Paid £
Clarke Willmott, solicitors	0 00	0 00	11,385 50	11,385 50	11,385 50	11,385 50
Ward Goodman, accountants	0 00	0 00	675 00	675 00	675 00	675 00
Alexander Forbes, pension advisers	600 00	600 00	300 00	300 00	900 00	900 00
Edward Symmons, valuers	1,490 54	1,490 54	38,977 71	38,977 71	40,468 25	40,468 25
<b>Total</b>	<b>2,090 54</b>	<b>2,090.54</b>	<b>51,338.21</b>	<b>51,338.21</b>	<b>53,428 75</b>	<b>53,428.75</b>

The above costs exclude VAT