

AM03

Notice of administrator's proposals



Companies House

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07/12/2019

#366

COMPANIES HOUSE

1 Company details

Company number 01703368

Company name in full Odessa Print Group Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals

2 Administrator's name

Full forename(s) Tom

Surname Straw

3 Administrator's address

Building name/number 88

Street Wood Street

Post town London

County/Region

Postcode EC2V7QF

Country

4 Administrator's name ①

Full forename(s) Simon

Surname Thomas

① Other administrator

Use this section to tell us about
another administrator

5 Administrator's address ②

Building name/number 88

Street Wood Street

Post town London

County/Region

Postcode EC2V7QF

Country

② Other administrator

Use this section to tell us about
another administrator.

AM03

Notice of Administrator's Proposals

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Statement of proposals



I attach a copy of the statement of proposals

7

Sign and date

Administrator's
Signature

Signature

✕

[Handwritten signature]

✕

Signature date

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AM03 Notice of Administrator's Proposals



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	Selina Rai
Company name	Moorfields Advisory Limited
Address	88 Wood Street
Post town	London
County/Region	
Postcode	E C 2 V 7 Q F
Country	United Kingdom
DX	
Telephone	0207 186 1144



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 and dated 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

**Administrators' Proposals relating to
Odessa Print Group Ltd ("the Company") – In Administration**

Issued on: 6 December 2019

Delivered to creditors on: 6 December 2019

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Abbreviations

The following abbreviations are used in this report:

Creditors' Voluntary Liquidation
Company Voluntary Arrangement
Insolvency Act 1986
Insolvency Rules 2016
Moorfields Advisory Limited
Sale and Purchase Agreement
Secured Creditor; Aldermore Bank Plc
Statement of Affairs
Odessa Print Group Ltd
the Administrators' Statement of Proposals
Tom Straw and Simon Thomas
Transfer of Undertakings (Protection of Employment)
Regulations 2006

CVL
CVA
IA86
IR16
Moorfields
SPA
Aldermore or the Bank
SOA
the Company
the Proposals
the Administrators

TUPE

Simon Thomas and I are the Joint Administrators of the Company and these are our statutory proposals relating to the Company

1. STATUTORY INFORMATION

Statutory information relating to the Company is attached at Appendix 1.

2. CIRCUMSTANCES LEADING TO THE APPOINTMENT OF THE ADMINISTRATORS

The Company was incorporated on 1 March 1983 and was located at two sites in the South East. The Company operated a commercial printing business specialising in the manufacture of outdoor large format digital and lithographic prints.

The Company had c 180 customers and had 72 UK based full time employees.

In the last few years, demand for printed outdoor products (i.e. billboards) declined as LED digital advertising screens have increased in popularity. In an attempt to mitigate the decline in outdoor products, in January 2018 the Company introduced point of sale poster campaigns for retail and other industries as a service offering.

The diversification required a change in strategy, operational processes, additional plant and machinery and resource. However, revenue from the point of sale poster campaign was not sufficient to replace the declining revenue from the outdoor products. Margins came under pressure through a combination of production and cost inefficiencies, which led to increased capital expenditure requirements.

Aldermore Bank Plc ("Aldermore") hold the below registered charges:

Charge code	Created	Entitled Person(s)	Type
0170 3368 0014	11/1/19	Aldermore Bank PLC	Contains fixed charge.
0170 3368 0013	11/1/19	Aldermore Bank PLC	Contains floating charge.
			Floating charge covers all the property or undertaking of the company.
			Contains negative pledge.

In respect of the above, Aldermore holds a first ranking fixed and floating charge debenture over the Company assets, a fixed charge chattel mortgage over specific plant and machinery and an assignment of trade receivables.

At the date of Administration, Aldermore was owed approximately £1.8m (£1.2m under a Confidential Invoice Discounting Facility and £600k on plant and machinery loans). Aldermore's debt was personally guaranteed by the directors.

A summary of the Company's recent trading performance is shown below:

£	Draft Management Accs 30 Sept 19	Draft Statutory Accounts 30 Sept 18	Filed Statutory Accounts 30 Sept 17
Turnover	13,322,376	15,275,231	13,816,974
Cost of Sales	(10,075,891)	(11,421,943)	(10,344,155)
Gross Profit	3,246,485	3,853,388	3,472,819
Gross Profit %	24%	25%	25%
Operating Loss		(255,405)	202,487
Net Profit/Loss after tax	(437,193)	(301,000)	105,948

It should be noted that the draft statutory and management accounts have not been verified for accuracy and therefore may not reflect the Company's true trading position

Events leading up to the appointment

We understand the events leading to our appointment to be as follows.

As mentioned above, notwithstanding the Company's effort to introduce an additional revenue stream, it was unable to return to profitability and this in turn led to escalating creditor pressure.

Accordingly, accumulated trading losses sustained during 2018 and 2019 contributed to a working capital requirement in excess of £800k. The Company sought to raise the funding required from a number of sources including external debt and equity providers, although was ultimately unsuccessful due to the financial position of the business

Moorfields were introduced to the Company following a breach of its financial covenants with Aldermore and having failed to meet the terms of a Time to Pay arrangement with HM Revenue & Customs. We were initially engaged to source alternative finance for the Company and negotiate a further deferment of c. £500k HMRC liabilities.

However, HMRC declined the request for a new Time to Pay arrangement to be entered into and with no alternative funding available, the Company continued to come under intense creditor pressure.

Consequently, Moorfields were engaged to conduct an accelerated sale and marketing process for the Company, including the option of a business and assets sale. No offers were received for the Company as a going concern and therefore alternative options were considered, which are discussed in further detail in section 3.

The Company's directors appointed Simon Thomas and me as Joint Administrators on 18 October 2019 and we took over the responsibility for the management of the affairs, business and assets of the Company. Immediately following our appointment, a sale of the Company's business and assets was completed.

The appointment permitted the Joint Administrators to take any actions required either jointly or alone and I have been the Administrator primarily involved in dealing with the Company's affairs.

Prior involvement by Moorfields

Prior to the commencement of the Administration, Moorfields acted as advisors to the Board as a whole acting on behalf of the Company.

No advice was given to the individual directors regarding the impact of the insolvency of the Company on their personal financial affairs. Whilst not formally in office at that time, Moorfields was still required to act in its dealings with the Company in accordance with the Insolvency Code of Ethics.

As mentioned in the previous section, the prior involvement included seeking alternative finance, negotiations with HM Revenue & Customs and running an accelerated sale and marketing process, which is further set out in Appendix 8; SIP 16 Disclosure Statement.

Furthermore, recorded in Appendix 8 are the efforts made to consult with major creditors and why it was not appropriate to trade the business.

As required by the Insolvency Code of Ethics, Simon Thomas and I considered the various threats to our objectivity arising from this prior involvement. We concluded that those threats were at an acceptable level such that we could still act objectively and hence could be appointed Joint Administrators of the Company

3. OBJECTIVES OF THE ADMINISTRATION AND THE ADMINISTRATORS' STRATEGY FOR ACHIEVING THEM

As Administrator of the Company I am an officer of the Court, and I must perform my duties in the interests of the creditors as a whole in order to achieve the purpose of the Administration, which is to achieve one of the three objectives set out in the insolvency legislation, namely to:-

- (a) rescue the Company as a going concern; or
- (b) achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or
- (c) realise property in order to make a distribution to one or more secured or preferential creditors.

Objective (a) could not be achieved as no purchaser could be found for the shares of the Company. Similarly, the nature of the Company's trading and its financial circumstances meant that a Company Voluntary Arrangement was not appropriate. Notwithstanding this, the Company would require alternative debt facilities and these were not available.

As a result, the Administrators are seeking to achieve objective (b) for the Company and will achieve this by the sale of the Company's business and assets. The sale of the business enabled me to achieve the objective set out above as it achieves a better result for the creditors as a whole than would be likely if the Company had been placed into Liquidation, without first being in Administration. Please refer to Appendix 8 for further detail.

The insolvency legislation has set a 12-month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. If I am unable to complete the Administration of the Company within 12 months then I will either apply to the Court, or hold a decision of creditors, in order to seek approval to extend the duration of the Administration.

4. ACTIONS OF THE ADMINISTRATORS FOLLOWING APPOINTMENT

Immediately upon the appointment of Joint Administrators, substantially all of the Company's business and assets were sold to Odessa UK Limited for a consideration of £2,097,274 (plus deferred consideration) on a going concern basis. A summary of the sale consideration is below:

Charge	Asset	Consideration	
Fixed	Plant and Machinery		£789,000
Fixed	Stock and WIP		£1
Fixed	Goodwill, IPR, Customer Contracts, & Website		£20,000
Fixed	Debtors	£1,278,273 & Deferred Consideration*	
Floating	Office Equipment		£10,000
			£2,097,274

* Please see Appendix 8 for details in respect of deferred consideration.

Please refer to Appendix 8 for the disclosure made to meet the requirements of Statement of Insolvency Practice 16 for pre-packaged sales in Administration. This includes but is not limited to details of the valuation obtained, marketing process, assets acquired from an Insolvency Practitioner in the last 12 months and of the pre-packaged sale to a connected party.

In addition to the sale of the business and post completion matters, the Administrators have undertaken routine statutory and compliance work, such as sending out the aforementioned SIP 16 letter to creditors, creditor correspondence, filing notices at Companies House and preparing relevant communications and the notice in the London Gazette. These tasks are either required by statute or regulatory guidance or are necessary for the orderly conduct of the proceedings and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

Role of the Insolvency Practitioner

Our prior involvement is covered more fully in the above sections as well as Appendix 8. Ultimately the Company was placed into Administration and I was appointed Joint Administrator. As Joint Administrator I am an officer of the Court and I have taken over the management of the Company from the Board. As indicated above, the purpose of this Administration is to achieve objective B.

In order to help me achieve the objective, I have a wide range of powers as set out in the insolvency legislation and I must perform my functions as quickly and efficiently as is reasonably practicable. I must also act in the interests of the creditors of the Company as a whole; other than where objective c) is being pursued where I would need only to ensure that I do not unnecessarily harm the interests of the creditors of the Company as a whole.

5. FINANCIAL POSITION OF THE COMPANY

A summary of the Company's estimated financial position as at 18 October 2019, which is known as a Statement of Affairs ("SoA"), is attached at Appendix 2. Comments on the Statement of Affairs are as follows:

5.1. Assets

The amount for the following items were based on actual sales proceeds achieved:

- Plant and equipment
- Goodwill
- Book debts
- Fixtures and fittings
- Stock

Appendix 8 has further detail on the prices achieved.

5.2. Preferential creditors

There are no preferential creditors as all employee contracts were transferred in accordance with the provisions of TUPE.

5.3. Prescribed part

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £600,000.

The Company gave a floating charge to Aldermore on 11 January 2019 and the prescribed part provisions will apply. The Statement of Affairs estimates the financial position of the Company and shows that the net property of the Company is £267,615. However, this estimate does not take into account the costs of the Administration which will reduce the amount of the Company's net property to nil.

5.4. Unsecured Creditors

The SoA indicates that there are unsecured creditor claims of £2,794,438. On the basis of present information there will be no return to unsecured creditors.

6. ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

I attach a summary of the receipts and payments relating to the Company for the period from when it entered Administration on 18 October 2019, to the date of these proposals, at Appendix 3.

7. PROPOSED FUTURE ACTIONS OF THE ADMINISTRATORS TO ACHIEVE THE OBJECTIVE OF THE ADMINISTRATION

In order to achieve the objective of the Administration of the Company I have marketed and sold substantially all of the Company's business and assets. Future actions will include.

- Monitor the of the book debts in order to recover any deferred consideration due
- Assist with the negotiation to novate or enter into new tenancy agreements for the Company's four trading premises. Alternatively, agree surrenders with the landlords upon expiry of the licences to occupy
- Collect rents payable to ensure landlord obligations are met
- Review retention of title claims
- Provide post-sale assistance to the purchaser
- Creditor correspondence & creditor claims
- Quantify the outstanding Director Loan Accounts and seek recovery where possible
- Thoroughly investigate the affairs of the Company to identify any further potential areas of recovery
- Dealing with dormant subsidiary entities

The Company's financial position means there are insufficient assets to enable me to pay a dividend to non-preferential unsecured creditors.

8. ADMINISTRATORS' REMUNERATION AND EXPENSES

I attach at Appendix 7 a copy of my practice fee recovery policy. In this case I am seeking to fix the basis of my remuneration on a time cost basis as detailed below:

Time costs

Some work cannot be identified with enough certainty for me to seek remuneration on a fixed or percentage basis. For these tasks, I propose to seek approval on a time cost basis. i.e. by reference to time properly spent by me and members of staff of the practice at our standard charge out rates. When I seek approval for my fees on a time cost basis, I have to provide a fee estimate. That estimate acts as a cap on my time costs so that I cannot draw fees of more than the total estimated time costs without further approval from those who approved the fees. I attach a "Fees Estimate" at Appendix 5 that sets out the work that I intend to undertake, the hourly rates I intend to charge for each part of the work, and the time that I think each part of the work will take. It includes a summary of that information in an average or "blended" rate for all of the work being carried out within the estimate.

As indicated in the fees estimate, all areas of work will be charged on a time cost basis.

Included at Appendix 5 is a more detailed list of the various areas of work for which I am seeking approval on a time cost basis. However, I summarise below the main areas of focus for the remaining matters outstanding in the Administration.

Administration

This represents the work that is involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on

the case by the office holder and their staff. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

Investigation

The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure and also in respect of matters such as misfeasance and wrongful trading. The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation.

If potential recoveries or matters for further investigation are identified, then the office holder will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary and further information will be provided to creditors and approval for an increase in fees will be made as necessary. Such recovery actions will be for the benefit of the creditors and the office holder will provide an estimate of that benefit if an increase in fees is necessary.

The Administrators are aware that the following specific matters require to be investigated are the director loan account(s) and bank accounts pertaining to a purported commission arrangement. The estimated time required to be spent to do so and the time costs of doing so are included in the estimate. The office holder is unable to quantify the benefit to creditors of these investigations at present but will include such information in their statutory report to creditors once the position is clear.

The office holder is also required by legislation to report to the Department for Business Energy & Industrial Strategy on the conduct of the directors and the work to enable them to comply with this statutory obligation is of no direct benefit to the creditors, although it may identify potential recovery actions.

Post-Sale Matters

This is the work that needs to be undertaken in respect of monitoring the collection of the debtor book, which formed part of the pre-pack sale as deferred consideration. In addition to this, there are various matters pertaining to the purchaser securing an assignment or replacement lease in respect of the Company's premises as well as collecting and making payment to the landlords under a licence to occupy which was granted to the purchaser as part of the pre-pack sale. It is not anticipated that this work undertaken will provide any additional realisations available for creditors.

It is important to note that a considerable amount of time has already been incurred in respect of these matters which is further discussed below.

Subsidiary Share Transfer

The Company has six subsidiaries and the Directors have confirmed that there are no assets or bank accounts. A minimum amount of time will be incurred to ensure that the subsidiaries are disposed of appropriately.

Creditors

Claims of creditors; the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case and to ensure that notices and reports can be issued to the creditors. The office holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. This work is required to be undertaken as part of my statutory functions as Administrator.

More details of the tasks included in these categories are included in the fees estimate. I estimate that the total time costs I will incur in undertaking these tasks will be £145,207.50 at a "blended" rate of £325 per hour

This estimate has been provided to creditors at a relatively early stage in the Administration of the Company and prior to potential issues arising before the office holder is aware of them. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holder's current knowledge of the case and their knowledge and experience of acting as office holder in respect of cases of a similar size and apparent complexity.

As a result, the estimate does not take into account any currently unknown complexities or difficulties that may arise during the administration of the case. If the time costs incurred on the case by the office holder exceed the estimate, or is likely to exceed the estimate, the office holder will provide an explanation as to why that is the case in the next progress report sent to creditors.

Since the office holder cannot draw remuneration in excess of this estimate without first obtaining approval to do so, then where the office holder considers it appropriate in the context of the case, they will seek a resolution to increase the fee estimate so that they will then be able to draw additional remuneration over and above this estimate.

I anticipate needing to seek approval to exceed the estimate if this work leads to further areas of investigation, potential further asset recoveries and any associated action, such as arbitration or legal proceedings.

To date a total of 160 hours have been spent working on the above tasks in the Administration and total time costs to date are £47,150 charged at an average charge out rate of £293. Details of the time units used and current charge-out rates are provided in our practice fee recovery sheet, a copy of which is enclosed at Appendix 7. I attach, in respect of the areas of work where I am seeking to charge fees on a time cost basis, an analysis of time costs incurred to date by reference to grade of staff and work done at Appendix 4

I also propose I am permitted to charge and recover what are known as category 2 expenses. Information about category 2 expenses is set out in our practice fee recovery policy at Appendix 7.

The following category 2 disbursements have been incurred to date:

Type of category 2 disbursement	Amount incurred/accrued since appointment	Amount still to be paid
Postage for letters to employees and creditors	£19.30	£19.30

I have incurred total expenses of £559.33 since my appointment as Administrator. I have not been yet drawn any expenses in this matter. These are as follows:

Type	Amount incurred/accrued since appointment	Amount still to be paid
Taxi / Transport	14.40	14.40
Taxi / Transport	24.42	24.42
Train	42.00	42.00
Staff Expenses	5.20	5.20
Postage	53.31	53.31
Initial Bordereau	370.00	370.00
Creditor Portal Fee	50.00	50.00
Total	£559.33	£559.33

I have used the following agents or professional advisors since my appointment as Administrator:

Professional Advisor	Nature of Work	Basis of Fees
Sircles	IT Back Up	Fixed Fee – c. £750 (excluding VAT)
Tax Agent	Tax returns	Fixed Fee – c. £2,000 (excluding VAT)
Solicitors	Complete lease dealings	Fixed Fee – c. £6,500 (excluding VAT)
Marsh	Insurance cover	Fixed Cost Monthly – c. £500 (excluding VAT)

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money.

Expenses do not have to be approved, but when reporting to the committee and creditors during the course of the Administration the actual expenses incurred will be compared with the original estimate provided and I will explain any material differences (e.g. where legal costs rise due to escalated recovery action).

The approval of the basis of my remuneration as Administrator, fees, expenses including category 2 expenses and approval for these proposals is not being obtained from unsecured creditors as there is no foreseeable distribution to this class of creditor.

As a result, it will be for the Secured Creditor to approve the basis for remuneration, fees and expenses including category 2 expenses.

However, if a creditors' committee is appointed then I will seek approval from that committee instead. 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/>.

Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9 ("SIP9"), and they can be accessed at

<https://www.r3.org.uk/media/documents/publications/professional/Administration%20Creditor%20Fee%20Guide%20April%202017.pdf>.

There are different versions of these Guidance Notes, and in this case please refer to the April 2017 version. Please note that we have also provided further details in the practice fee recovery sheet.

9. PRE-APPOINTMENT FEES AND EXPENSES

On 5 September 2019, the Board of Directors instructed me to assist them in placing the Company in Administration and take the steps that were required to achieve a sale of the Company's business and assets. They agreed that I should be paid my pre-appointment fees and expenses on a time costs basis. I attach at Appendix 6 a detailed time cost table showing the pre-appointment time costs incurred by category and staff grade at my firm.

In addition to my own time costs, the following expenses were incurred by;

- Solicitors in advising the proposed Administrators, liaising with secured creditors during the sale and marketing process, completing a security review, arranging and filing the appointment documentation and preparing the sale and purchase agreement together with supporting documents, including a deed of priority, licence to occupy and debenture.
- Valuers were appointed to value assets of the Company. Fees were agreed with these valuers in advance. The benefit to creditors is that the valuations were independent and to benchmark the sale against.

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case. I also assisted the Board by providing advice with regard to ongoing trade and creditor payments in the context of preserving value of the business whilst not unduly prejudicing other creditor interests

The following statement sets out my pre-appointment fees and expenses incurred, prior to the Administration

Description	Paid pre-appointment (£)	To be paid (subject to fixed charge) (£)	To be paid (subject to floating charge) (£)
Administrators' remuneration	5,000.00	36,000.00	10,133.00
Administrators' expenses	Nil	344.91	0.00
Valuation agents	Nil	3,600.00	Nil
Legal fees	Nil	45,000.00	5,000.00
Total	5,000.00	84,944.91	15,133.00

I will request approval from the Secured Creditor for the fees and expenses relating to the sale of fixed and floating charge assets as outlined above. The pre-appointment fees paid prior to the Administration by the Company were £5,000 plus VAT.

The valuation of the Company's chattel assets was obtained from Gordon Brothers. Crowell & Moring were engaged to provide legal advice and draft the relevant pre-pack sale documentation.

Please see below the schedule of pre-appointment expenses noted in the table above:

Type of expense	Amount incurred/accrued since appointment	Amount still to be paid
Train	18.30	18.30
Staff Expenses	7.99	7.99
Taxi / Transport	22.00	22.00
Staff Expenses	8.30	8.30
Train	14.60	14.60
Taxi / Transport	14.12	14.12
Marketing – IP BID	245.00	245.00
Total	330.31	330.31

As referred to above, approval for these proposals is not being obtained from creditors. As a result, it will be for the Secured Creditor to approve pre-appointment fees and expenses, fees and category 2 expenses.

10. ADMINISTRATORS' INVESTIGATIONS

I have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the Administration. I am also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. I should be pleased to receive from you any information you have that you consider will assist me in this duty. I would stress that this request for information forms part of my normal investigation procedure.

11. EC REGULATION ON INSOLVENCY PROCEEDINGS

I consider that the EC regulation on insolvency proceedings apply to the Administration of the Company. I also consider that they are "main" proceedings since the Company's registered office and its trading address are in the United Kingdom.

12. ADMINISTRATORS' PROPOSALS

In order to achieve the objective, set out at section 3 above, Simon Thomas and I formally propose to creditors that:

- (a) We continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that we.
 - (i) will continue to manage post-sale matters, namely, monitor the deferred consideration and various licences to occupy the Company's
 - (ii) premises; investigate and if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company; and
 - (iii) do all such things and generally exercise all their powers as Administrators as we consider desirable or expedient at our discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals
- (b) the Administration of the Company will end by filing notice of dissolution with the Registrar of Companies. The Company will then automatically be dissolved by the Registrar of Companies three months after the notice is registered.
- (c) In the unlikely event that our investigations result in a significant amount of funds being available to distribute to unsecured creditors, the Administration will end by placing the Company into Creditors' Voluntary Liquidation with a proposal that Tom Straw and Simon Thomas are appointed Joint Liquidators of the Company and we are authorised to act either jointly or separately in undertaking our duties as Liquidator.

Creditors may nominate a different person(s) as the proposed liquidator(s), but you must make the nomination(s) at any time after you receive these proposals, but before they are approved. Information about the approval of the proposals is set out above.

13. APPROVAL OF PROPOSALS

The financial position of the Company means that it has insufficient assets to enable a dividend to be paid to non-preferential unsecured creditors. As a result, I am prohibited by the insolvency legislation from seeking a decision from this class of creditor to consider these proposals.

However, creditors whose debts amount to at least 10% of the total debts of the Company can require me to convene a decision of the creditors to consider the proposals. Such a request must be made within 8 business days from the date of delivery of these proposals. If creditors do not require me to convene a decision of the creditors within that time period, then these proposals will be deemed to have been approved

14. FURTHER INFORMATION

To comply with the Provision of Services Regulations, some general information about Moorfields, including about our complaints policy and Professional Indemnity Insurance, can be found at <http://www.moorfieldscr.com/terms-and-conditions>.

In accordance with the provisions of the General Data Protection Regulations the lawful basis for processing your personal data is in order to comply with my legal obligations set out in the Insolvency Legislation, the purpose of processing the data is to administer the insolvent estate Your data will be retained by me for 6 years and 3 months following my vacation of office

Further details regarding how we process your personal data can be found in our Privacy policy located here: <https://www.moorfieldscr.com/privacy-policy>

If creditors or members have any queries regarding the proposals or the conduct of the Administration in general, they should contact Stephanie Larivee on 0207 186 1143.

Yours faithfully
For and on behalf of
Odessa Print Group Ltd



Tom Straw
Joint Administrator

Tom Straw and Simon Thomas of Moorfields, 88 Wood Street, London, EC2V 7QF were appointed Joint Administrators on 18 October 2019. The Administrators now manage the affairs, business and property of the Company. The Administrators act as agents only and without personal liability.

Appendix 1 – Statutory Information

Company Information

Company name:	Odessa Print Group Limited
Previous name:	Odessa Offset Limited
Company number:	01703368
Date of incorporation:	01/03/1983
Trading address:	Unit 1 & 2, Airport Industrial Estate, Biggin Hill, Westerham TN16 3PS
Current registered office:	88 Wood Street, London EC2V 7QF
Former registered office:	Lynwood House, Crofton Road, Orpington, BR6 8QE
Principal trading activity:	Commercial Printing

Appointment Details

Administrators	Tom Straw and Simon Thomas
Administrators' address	c/o Moorfields Advisory Limited, 88 Wood Street, London, EC2V 7QF
Date of appointment	18 October 2019
Court name and reference	High Court of Justice Business and Property Courts of England and Wales Insolvency and Companies List CR-2019-006966
Appointment made by:	Directors
Actions of 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.

Officers of the Company

Directors:	Shareholding:
CHARLES, Robert Michael	50%
MATTHEWS, Laurence Scott	50%

Company secretary:
CHARLES, Janet

Share capital

Authorised	Allotted, called up and fully paid
201,250 ordinary shares £1 each	All fully paid

Charges

Aldermore Bank Plc	Fixed & floating	11 January 2019
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Appendix 2 – Statement of Affairs

Rule 3.29

Statement of affairs

Name of Company:

Odessa Print Group Ltd

Company number:

01703368

In the High Court of Justice Business and
Property Courts of England and Wales
Insolvency and Companies List (ChD)

Court case number:

CR-2019-006966

Statement as to the affairs of Odessa Print Group Ltd – In Administration ('the
Company')

on the 18 October 2019, the date that the Company entered administration.

Statement of Truth

I believe that the facts stated in this statement of affairs are a full,
true and complete statement of the affairs of the Company as at 18
October 2019, the date that the Company entered administration.

Full name Robert Michael Charles



Signed _____

Dated 04/12/2019

Odessa Print Group Ltd

Statement of Affairs as at 18 October 2019

A - Summary of Assets

Assets	Book Value	Estimated to realise
<u>Assets subject to fixed charge:</u>		
Plant & Equipment	1,276,330	789,000
Goodwill	0	20,000
Trade Debtors		
Gross Trade Debtors	2,401,093	
Less Disputed, Interco, Rebates & Provision Aging	(807,851)	
Less Collection Fee	(72,033)	
Less Dilution	(120,055)	
Net Trade Debtors	1,401,155	
Realised on 18 October 2019		1,293,009
Estimated to realise post completion		TBC
<u>Assets subject to floating charge</u>		
Fixtures & Fittings	73,197	10,000
Stock	211,030	1
<hr/>		
Estimated total assets available for preferential creditors	4,362,866	2,112,010

A1 - Summary of Liabilities

Liabilities	Book Value	Estimated to realise
<u>Estimated deficiency / surplus as regards to preferential creditors</u>		2,112,010
Estimated prescribed part of net property where applicable (to carry forward)		
Aldermore		
Plant & Machinery Loan		(389,801)
Assets Finance Loan		(211,585)
CID Facility		(1,218,009)
Estimated total assets available for floating charge holders		292,615
Debts secured by floating charges		(25,000)
Estimated deficiency / surplus of assets after floating charges		267,615
Total Assets available for unsecured creditors		267,615
Unsecured non preferential claims:		
HMRC - VAT		(196,338)
HMRC - PAYE		(398,701)
Trade Creditors		(1,980,010)
Director Loan Account		(76,778)
Loan - Funding Circle		(53,691)
Loan - Iwoca		(8,500)
Hire Purchase		(48,502)
Estimated deficiency / surplus as regards non preferential creditors		(2,494,905)
Issued and called up capital		201,250
Estimated deficiency / surplus as regards members		(2,293,655)

Signature



Laurence Matthews

Date

04/12/2019

Signature



Robert Charles


Date

04/12/2019

Name of Creditor or Claimant	Address line 1	Address line 2	Address line 3	Address line 4	Address line 5	Amount of Debt	Details of any security	Date security given	Value of security
Abbey Services Pallets Ltd	1-7 Second Avenue	Edmonton		M18 2PG		20,122.08			
1st Ace Security Ltd	The Gatehouse	Bromley		BK2 9LE		90.00			
Admiral Tapes Ltd	Duncan Road	Park Gate		S031 7GA		1,676.29			
Kammerer	20 Tolgate	Cheridiers Ford			S053 3TG	28,677.50			
ALTUS GROUP	QAMJARD HOUSE	TALBOT ROAD		M16 0PQ		720.00			
Amari Plastics	Holmes House	24-30 Baker Street			KT13 8AU	2,115.40			
Angel Spindles Ltd	Angel House	Shaw Road		Weybridge	WY10 9LE	1,905.12			
Antialis Ltd	Gateway House	Interlink Way West		Coatville		56,068.56			
ANTONY STOVIN CLARK	4 OAK HILL GARDEN	WOODGREEN		ESSEX	LE67 1LE	278.50			
Arcol	PO Box 21	Waverley Street		Hull		772.58			
AT London Ltd	218 Horsley Road	London		N7 7LL		4,203.60			
Baker & Co	Lynwood House	Crofton Road			BK6 8QE	15,360.00			
Bernie Varnold	2 Waterside Avenue	Beddenham		BK3 3CJ		2,493.33			
Berry Recruitment	Porters House	4 Porters Wood		St Albans		10,745.81			
Bt and Blade Ltd	Mill Pond House	Cotton Mill Hill, Hollymoorside			AL3 6PQ	3,333.37			
British Printing Federation	Unit 2	Viller's Court		Cherterfield	CV5 7ED	1,637.50			
BRENT CARPET COMPANY LTD	UNIT 3 KINGSBURY	TRADING ESTATE CHURCH LANE		Birmingham Road	CV5 9RG	3,288.00			
Britannia Adhesives	Unit 30 Industrial Estate	West Hemdon		KINGSBURY	NW9 8AU	408.00			
British Telecom	BT UK Business Account	Providence Row		Brentwood	CM13 3XL	1,312.41			
CALLANCOOTE LTD	UNIT 11 DEPTFORD TRADING ESTATE	BLACKHORSE ROAD		Durham		859.68			
Canon Cars Ltd	10-12 Bourne Way	Hayes		LONDON	SE8 5HY	7,207.03			
Capital Car Rental	130-134 Epsom Road	Surrey			BK2 7EY	11,697.25			
Cascade Business Supplies Ltd	Unit 18, Connect 10	Foster Road		Ashford		1,861.21			
CCS Media Ltd	Old Birdline House	Derby Road			TN24 0FE	236.90			
Collogies Ltd	Unit 12C	Exeter Way		Cherterfield Derbyshire		417.60			
Concept Foundry	The Stables	Boston		Theatre Commercial Estate	RG7 4AW	7,658.40			
Corres & Tubes Ltd	Volcan Way New Addition	Croydon		Burlings Lane	TN16 7PE	2,322.42			
Cyrax Ltd	Unit 1 South View Business Park	Ghyll Royd		Surrey	CR0 9UG	785.46			
David Bates	9 Albire Way	Beddenham		Leeds	LS20 9LT	375.00			
Devil-Fish Creative Ltd	Unit 538 Thames Industrial Park	Princess Margaret Road		BK3 3ED		8,932.00			
O Howell & Sons	73 Croydon Road	Keston Mark		London	RM18 8BH	4,693.82			
DISCOUNT PRINT SUPPLIES	Unit 15	NEW LYDENBURG COMMERCIAL ESTATE		BK2 8HU		108.00			
Driver Hire London SE	11 Wharf Street	London		CHARLTON	SE7 8NF	3,028.63			
DTP Supplies	Pennine Business Park	Plymouth		Leicestershire	OL10 2H	1,640.40			
DX NETWORK SERVICES LTD	DITION PARK	RIDING COURT ROAD		SLOUGH	SL3 9CL	1,922.82			
Dynamic International	Unit 1 Trident Industrial Estate	Backthorne Road		Colebrook	SL3 0AX	931.60			
Elcor Martin	11 Maryland Drive	Barnim		Maidstone	ME16 9EG	4,625.00			
ESPACE EUROPE LTD	Kortrijksesteenweg 1095	0951 Gent		Belgium		185.00			
Euroforce Ltd	71A UPPER ST JOHN STREET	LIGHTFIELD		STAFFS	WS14 9DT	10,385.40			
EUROPOINT	Units 1 & 2 Widdell Way	48 Artillery Lane		London	E1 7LS	1,435.64			
ADT Fire and Security Plc	PO Box 69	Brackmills		Northampton	NH4 7HR	25,283.09			
Muller Milk & Ingredients	Household Business Unit	Manchester				655.36			
Expo Guide	Aparcado Postal	14/40 Victoria Road		Aldershot		158.82			
Flex-Europe Ltd	EUROPA HOUSE UNIT B	Mexico			GU11 1TH	402.50			
Fuel Genie Bus Ad	PO Box 6139	1 Trinity Court		OXON	OX49 5LU	13,872.60			
Fujifilm UK Ltd	St Martins Business Centre	Bedford		Wolverhampton	WV1 9EQ	1,234.52			
Garden Care Services Ltd	628 College Road	Bromley		MK42 0LF		7,390.11			
GENERAL FABRICATIONS LTD	ORPHANGE ROAD	BRIMINGHAM		BK1 3PE		1,122.40			
GEORGE ROSSIDES	28 ST. PAULS CRESCENT	LONDON		B24 9AT		2,216.70			
Glenway Packaging Services	Hessandford Industrial Estate	Widow Hill Road		Leicestershire	BB10 2BQ	20,110.62			
GMT ELECTRICAL SERVICES	93-95 GLOUCESTER ROAD	CROYDON SURREY		Burnley		298.08			
DPH	Unit B	The Heights		CR0 2DN		156.00			
GTEC	Unit 3 GTEC House	Canning Road		Ipswich Road	H914 3BG	11,094.65			
Harrison Products Co	Gallopney House	Draycott Business Park		Stratford	E15 3NY	5,975.76			
Hewlett-Packard Ltd	Cain Road	Bracknell		GLOUCESTER	GL56 0QJ	180,183.34			
Hewlett-Packard Ltd (Equip Rental)	Liffey Park Technology Campus	Barnhill Road		Stokenchurch		5,813.18			
HSS Hire Service Group Ltd	Oakland House	Leisley		London		5,975.76			
HULLBRIDGE SPORTS ASSOCIATION	LOWER ROAD	76 Talbot Road		Co. Kildare		12,228.00			
IJS Services Ltd	18 Woodland Way	HULLBRIDGE		Manchester	M16 0PQ	1,024.20			
IMAGING	UNIT 5 MILL HALL BUSINESS PARK	West Wingham		SS5 6BJ		955.00			
Indotach	Unit D15 HNS Business Park	MILL HALL		KENT		405.00			
INTELLIGENT PERFORMANCE LTD	Quantum House	Garrets Green		ME20 7JZ		18,506.40			
INTUPRINT LTD	South Corner	Interlink Way		B33 0UE		1,443.15			
IJC	PO Box 811	Old Brighton Road		Way South Interlink Park	LE67 1PG	1,780.34			
IPT	3 Seindie Court	TANE VALLEY IND EST		West Sussex	RH11 0PH	12,603.09			
J&J Carter Ltd	Unit 2 34 Waltham Road	Orpington		WILNECOTE TANNWORTH	B77 5DQ	6,833.82			
JDM Merchandise Ltd	John Le Men (Courier)	Spindle Way		BK6 1FY		1,771.56			
Koenig & Bauer (UK) Ltd (NSA)	Keningtons	Waltham Business Park		West Sussex	RH10 1AX	54,147.38			
James Lang Lesalle	5 CENTURY COURT	Jennetts Park		Hampshire	SP10 5LH	6,350.40			
	72-75 Marylebone High Street	London		Berkshire	RG12 8GS	1,546.81			
	PO Box 2534	TOLPITS LANE		Wiltshire	WD18 9PX	3,557.70			
		40 Berkeley Square		Berkshire	RG12 8GS	54,330.42			
					BS8 9AQ	45,000.00			

Kingdom Industrial Supplies Ltd Leopold	6/10 Bancrofts Road Coker House	South Woodham Ferries 57 Lancaster Road Stockport	Chesham New Barnet	OX3 SUQ Herts	14,205.62
Lex Autobase Ltd	Heathside Park Road UNIT 20	TEVIN COURT Ederbridge	Cheshire Widelynn Garden City	BM4 BAS Cheshire	1,980.80
LGA FINISHING LTD	PO BOX 188	City Aviation House 137-139 Nathan Way	Kent Kent	AJ7 LAU Hertfordshire	650.81
Logic Property Management Ltd	MA BUSINESS LIMITED	Hawley Mill	London London	E16 2PB London	79,094.75
LYNE DISPLAY	Unit 2	Manly House	SE20 0AB Kent	DAL 7TU Kent	2,340.00
M&A Die Laser Ltd	Medway Freight Centre Unit 14	Manly House	SE20 0AB Kent	DAL 7TU Kent	3,399.74
MARGEM LTD	Unit 6 Airport Ind Estate 23 Palenham Street	Manly House	SE20 0AB Kent	DAL 7TU Kent	354.00
Medway Hauliers Ltd	80 Arthur Street	Manly House	SE20 0AB Kent	DAL 7TU Kent	6,922.00
M&C Environmental Solutions Ltd	187/189 Handcroft Road	Manly House	SE20 0AB Kent	DAL 7TU Kent	21,011.10
Motorwerk	201 Barbary Road	Manly House	SE20 0AB Kent	DAL 7TU Kent	15,546.00
Newman Displays Limited	12 Brandon Road	Manly House	SE20 0AB Kent	DAL 7TU Kent	68.40
Newtown Packaging Ltd	2 BESSEMER CLOSE	Manly House	SE20 0AB Kent	DAL 7TU Kent	139.20
Office Furniture Online.co.uk	Highfields Farm Huncote Road Unit 3	Manly House	SE20 0AB Kent	DAL 7TU Kent	5,400.00
Other Bearings Ltd	30 Knowsthorpe Gate	Manly House	SE20 0AB Kent	DAL 7TU Kent	3,125.04
Papagant Graphics Ltd	Unit 1-3 Marshgate Bus Centre	Manly House	SE20 0AB Kent	DAL 7TU Kent	78.00
Andy Palmer	Midpoint Park	Manly House	SE20 0AB Kent	DAL 7TU Kent	97.29
Papergraphics	Unit 1 & 2 Newhaven Ind Estate	Manly House	SE20 0AB Kent	DAL 7TU Kent	187,887.57
PEACE COMPACTION SYSTEMS LTD	136 New Hythe Lane	Manly House	SE20 0AB Kent	DAL 7TU Kent	1,505.64
Popai UK & Ireland	380 Princessway	Manly House	SE20 0AB Kent	DAL 7TU Kent	18,243.60
Pop Display London Ltd	Quercus House	Manly House	SE20 0AB Kent	DAL 7TU Kent	1,824.00
PPB LTD	Wellington House	Manly House	SE20 0AB Kent	DAL 7TU Kent	2,034.00
PPPS	UNIT 6	Manly House	SE20 0AB Kent	DAL 7TU Kent	5,047.47
Premier Paper Group Ltd	2nd Floor	Manly House	SE20 0AB Kent	DAL 7TU Kent	195,947.74
Prismaflex UK Ltd	3rd Floor	Manly House	SE20 0AB Kent	DAL 7TU Kent	3,658.80
Prismar Services Ltd	Seven Acres	Manly House	SE20 0AB Kent	DAL 7TU Kent	180,479.97
Pyramid Display Materials Ltd	Lymwell Road	Manly House	SE20 0AB Kent	DAL 7TU Kent	1,374.00
QCR	16-19 Harold Road	Manly House	SE20 0AB Kent	DAL 7TU Kent	6,123.60
QUARTIX	SUITE 4 THE THORNE BUSINESS PARK	Manly House	SE20 0AB Kent	DAL 7TU Kent	63,196.24
RADNIES SERVICES LTD	162 Powers Road	Manly House	SE20 0AB Kent	DAL 7TU Kent	2,667.16
Reflections/Baby Factors	PO Box 99	Manly House	SE20 0AB Kent	DAL 7TU Kent	350.28
Reflections/Baby Factors	320 St Vincent Street	Manly House	SE20 0AB Kent	DAL 7TU Kent	4,930.83
Repro-Link	108 Lower Hythe Street	Manly House	SE20 0AB Kent	DAL 7TU Kent	2,119.32
Ribama UK Ltd	31 Salisbury Avenue	Manly House	SE20 0AB Kent	DAL 7TU Kent	1,248.06
Roydon Packaging Ltd	30 Fairfax Road	Manly House	SE20 0AB Kent	DAL 7TU Kent	2,328.00
RUPPA LTD	Fishergate	Manly House	SE20 0AB Kent	DAL 7TU Kent	6,576.92
R.S. Calabring Service	Parish House	Manly House	SE20 0AB Kent	DAL 7TU Kent	35,326.63
R.S. Components Ltd	3 Brindle Way	Manly House	SE20 0AB Kent	DAL 7TU Kent	354.00
Scottish Power	65 Parsonage Lane	Manly House	SE20 0AB Kent	DAL 7TU Kent	50.69
Service Master London South East Ltd	Calders House	Manly House	SE20 0AB Kent	DAL 7TU Kent	409.82
S.E.S Electrical Solutions Ltd	UNIT 1 & AMP 2	Manly House	SE20 0AB Kent	DAL 7TU Kent	11,447.92
Shen Taylor	Gundolph Screen Printers	Manly House	SE20 0AB Kent	DAL 7TU Kent	690.93
SHURFT KAPPA	Hampden Court	Manly House	SE20 0AB Kent	DAL 7TU Kent	708.00
Societe Generale	49-63 Spencer Street	Manly House	SE20 0AB Kent	DAL 7TU Kent	3,052.50
South East Floor Covering Ltd	Unit 18	Manly House	SE20 0AB Kent	DAL 7TU Kent	1,194.55
Soyring Europe Ltd	29 Bonville Road	Manly House	SE20 0AB Kent	DAL 7TU Kent	2,755.26
SPAC PM LTD	88 High Street	Manly House	SE20 0AB Kent	DAL 7TU Kent	540.00
Speedscreen Ltd	UNIT 1 TOPAZ	Manly House	SE20 0AB Kent	DAL 7TU Kent	440.40
Staples UK Ltd	Europa Trading Estate	Manly House	SE20 0AB Kent	DAL 7TU Kent	7,844.34
Sussex Print Finishers	Sumnerway	Manly House	SE20 0AB Kent	DAL 7TU Kent	5,599.20
Svenko UK Ltd	UNIT 4 DULWICH BUSINESS CENTRE	Manly House	SE20 0AB Kent	DAL 7TU Kent	24,682.80
THE BEST CONNECTION	106 Fitcherbert Spur	Manly House	SE20 0AB Kent	DAL 7TU Kent	160.77
Titan Architecture	SHOREHAM STATION	Manly House	SE20 0AB Kent	DAL 7TU Kent	6,759.36
Topstock Papers Ltd	CARBROOK HALL ROAD	Manly House	SE20 0AB Kent	DAL 7TU Kent	1,068.00
TOWHLEY OFFICE SUPPLIES	MAULSTON ROAD	Manly House	SE20 0AB Kent	DAL 7TU Kent	88.90
Tri Pack Supplies Ltd	Industrial Park	Manly House	SE20 0AB Kent	DAL 7TU Kent	6,034.31
TRIMONDER SIGNS LTD	Eastrees Industrial Estate	Manly House	SE20 0AB Kent	DAL 7TU Kent	66,669.37
TUFFNELLS PARCELS EXPRESS LTD	Kingwood Crescent	Manly House	SE20 0AB Kent	DAL 7TU Kent	292.80
UK VENDING LTD	Gorse Hill Industrial Estate	Manly House	SE20 0AB Kent	DAL 7TU Kent	153,756.94
Ultraflex Europe	CONVENT GARDEN	Manly House	SE20 0AB Kent	DAL 7TU Kent	210.07
Ultima Displays Ltd	LEA 1FZ	Manly House	SE20 0AB Kent	DAL 7TU Kent	1,710.06
Velvia Environmental Services	West Midlands	Manly House	SE20 0AB Kent	DAL 7TU Kent	300.00
Versaklog	ATKINS ROAD	Manly House	SE20 0AB Kent	DAL 7TU Kent	4,242.91
Very Displays Ltd	WATERLOO ROAD	Manly House	SE20 0AB Kent	DAL 7TU Kent	572.86
VIDEO MEDIA COMPANY	Watercombe Park	Manly House	SE20 0AB Kent	DAL 7TU Kent	3,199.31
VIVIDING DIRECT		Manly House	SE20 0AB Kent	DAL 7TU Kent	1,047.00
Midland Paper Company Ltd/TJA Vision Corporate Sales		Manly House	SE20 0AB Kent	DAL 7TU Kent	96.86
VODAFONE RETAIL LTD		Manly House	SE20 0AB Kent	DAL 7TU Kent	1,296.00
W&K UK LTD		Manly House	SE20 0AB Kent	DAL 7TU Kent	339.47
Wessex Packaging		Manly House	SE20 0AB Kent	DAL 7TU Kent	3,600.00
		Manly House	SE20 0AB Kent	DAL 7TU Kent	54.55
		Manly House	SE20 0AB Kent	DAL 7TU Kent	20,683.98
		Manly House	SE20 0AB Kent	DAL 7TU Kent	1,824.34
		Manly House	SE20 0AB Kent	DAL 7TU Kent	0.40
		Manly House	SE20 0AB Kent	DAL 7TU Kent	1,643.04

Name of Shareholder	Address line 1	Address line 2	Address line 3	Address line 4	No of	Nominal	Details of
Robert Michael Charles	Unit 1 & 2	Airport Industrial Estate	Biggin Hill	TN16 3PS	Shares held	Value	Shares held
Laurence Scott Matthews	Unit 1 & 2	Airport Industrial Estate	Biggin Hill	TN16 3PS	100,625	100,625.00	Ordinary
					100,625	100,625.00	Ordinary
TOTAL					201,250	201,250	

Signature		Signature	
			
Laurence Matthews	04/12/2019	Robert Charles	04/12/2019

Appendix 3 – Joint Administrators'

**Odessa Print Group Limited – In Administration
Receipts & Payments Account
As at 2 December 2019**

£	<i>Fixed</i>	<i>Floating</i>	<i>Total</i>
Receipts			
Plant & Equipment	788,898.57		788,898.57
Goodwill	20,000.00		20,000.00
Trade Debtors	1,293,008.85		1,293,008.85
Bank Interest	6.69		6.69
Furniture & Equipment		10,000.00	10,000.00
Stock		1.00	1.00
Rent Contributions Received		72,093.74	72,093.74
Bank Interest		0.29	0.29
	<u>2,101,914.11</u>	<u>82,095.03</u>	<u>2,184,009.14</u>
Payments			
Aldermore	(1,819,293.73)		(1,819,293.73)
Licence to Occupy		(37,955.99)	(37,955.99)
	<u>(1,819,293.73)</u>	<u>(37,955.99)</u>	<u>(1,857,249.72)</u>
Closing funds held	282,620.38	44,139.04	326,759.42

Appendix 4 – Time Analysis for the Period As at 2 December 2019

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Avg Hourly Rate (£)	Hours Cum (POST Only)	Time Costs Cum (POST Only)
10 Case Planning	0 00	2 00	29 00	0 00	31 00	9 600 00	309 68	31 00	9 600 00
11 Administrative Set Up	0 00	0 00	4 30	0 00	4 30	967 50	225 00	4 30	967 50
12 Appointment Notification	0 40	0 00	4 70	0 00	5 10	1 275 50	250 10	5 10	1 275 50
13 Maintenance of Records	0 00	0 00	0 80	0 00	0 80	180 00	225 00	0 80	180 00
14 Statutory Reporting	1 50	3 00	23 70	0 00	28 20	8 355 00	296 28	28 20	8 355 00
15 Case Monitoring	0 50	0 00	4 90	0 00	5 40	1 442 50	267 13	5 40	1 442 50
16 IPS Case Set Up	0 00	0 00	0 30	0 00	0 30	67 50	225 00	0 30	67 50
17 General Administration	0 00	7 00	0 00	0 00	7 00	3 285 00	432 24	7 00	3 285 00
18 Cashiering	0 00	0 00	1 00	0 00	1 00	381 00	211 67	1 00	381 00
19 Partner Review	2 00	0 00	0 00	0 00	2 00	1 090 00	545 00	2 00	1 090 00
70 Post appoint VAT and CT returns	0 00	0 00	1 30	0 00	1 30	292 50	225 00	1 30	292 50
Admin & Planning	4 40	12 00	70 60	0 80	87 80	26,936 50	306 79	87 80	26,936 50
30 Freehold Leasehold Property	0 00	0 00	7 90	0 00	7 90	1,980 00	250 63	7 90	1 980 00
34 Debtors	0 40	1 00	0 00	0 00	1 40	669 00	477 14	1 40	669 00
35 Sale of Business	1 50	3 00	14 80	0 00	19 30	6,607 50	342 36	19 30	6 607 50
36 Identifying, Securing Insuring	0 00	0 00	9 40	0 00	9 40	2,737 50	291 22	9 40	2 737 50
71 Other Assets	0 00	0 00	1 80	0 00	1 80	405 00	225 00	1 80	405 00
Asset Realisation	1 90	4 00	33 90	0 00	39 80	12,398 00	311 51	39 80	12,398 00
60 Case Specific	1 00	0 00	0 00	0 00	1 00	545 00	545 00	1 00	545 00
Case Specific Matters	1 00	0 00	0 00	0 00	1 00	545 00	545 00	1 00	545 00
50 Creditor Correspondence	0 00	0 00	9 30	0 00	9 30	2 095 50	225 32	9 30	2 095 50
51 Unsecured creditor claims	0 00	0 00	10 90	0 00	10 90	2 452 50	225 00	10 90	2 452 50
56 Retention of Title	0 00	0 00	9 40	0 00	9 40	2 115 00	225 00	9 40	2 115 00
57 Employee creditor claims	0 00	0 00	0 20	0 00	0 20	45 00	225 00	0 20	45 00
75 s120 pension reporting	0 00	0 00	2 10	0 00	2 10	472 50	225 00	2 10	472 50
Creditors	0 00	0 00	31 90	0 00	31 90	7,180 50	225 09	31 90	7,180 50
21 CDDA Reports	0 00	0 00	0 20	0 00	0 20	45 00	225 00	0 20	45 00
22 Antecedent Transactions	0 00	0 00	0 20	0 00	0 20	45 00	225 00	0 20	45 00
Investigations	0 00	0 00	0 40	0 00	0 40	90 00	225 00	0 40	90 00
Total Hours	7 30	16 00	136 80	0 80	160 90	47,150 00	293 04	160 90	47,150 00
Total Fees Claimed						0 00			

** - Denotes codes included in cumulative data that are not present in the period

Appendix 5: Fee Estimate & Details of Work to be Undertaken in the Administration

Fee Estimate Summary Odessa Print Group Ltd - In Administration

Classification of Work Function	Partner	Manager	Other Senior Professionals	Associates	Assistants & Support Staff	Total Hours	Time Cost (£)	Avg Hourly Rate (£)
The hourly charge out rates that will be used on this case are	£545	£450	£300	£225	£195			
10 Case Planning	0.50	4.00	30.00	2.00	-	36.50	11,522.50	315.68
11 Administrative Set Up	-	2.00	4.00	2.00	-	8.00	2,550.00	318.75
12 Appointment Notification	-	-	5.00	1.00	1.00	7.00	1,725.00	246.43
13 Maintenance of Records	-	-	1.00	2.00	2.00	5.00	750.00	150.00
14 Statutory Reporting	1.00	2.00	27.00	2.00	2.00	34.00	9,995.00	293.97
15 Case Monitoring	1.00	2.00	30.00	5.00	-	38.00	11,570.00	304.47
16 IPS Case Set Up	-	-	0.50	-	-	0.50	150.00	300.00
17 General Administration	-	7.00	5.00	1.00	-	13.00	4,875.00	375.00
18 Cashiering	0.50	1.00	1.00	1.00	5.00	8.50	1,247.50	146.76
19 Partner Review	3.00	-	-	-	-	3.00	1,635.00	545.00
54 Final report	2.00	2.00	5.00	2.00	2.00	13.00	3,940.00	303.08
70 Post appoint VAT and CT returns	1.00	5.00	5.00	6.00	-	17.00	5,645.00	332.06
80 Case closure	0.50	2.00	2.00	5.00	1.00	10.50	2,897.50	275.95
Admin & Planning	9.50	27.00	115.50	29.00	13.00	194.00	58,502.50	301.56
30 Freehold / Leasehold Property	1.00	3.00	2.00	5.00	-	11.00	3,620.00	329.09
31 Plant and Machinery	-	1.00	1.00	1.00	-	3.00	975.00	325.00
33 Assets on Finance	-	1.00	2.00	2.00	-	5.00	1,500.00	300.00
34 Debtors	3.00	5.00	10.00	5.00	-	23.00	8,010.00	348.26
35 Sale of Business	1.00	3.00	18.00	1.00	-	23.00	7,520.00	326.96
36 Identifying Securing Insuring	-	1.00	12.00	2.00	-	15.00	4,500.00	300.00
38 Asset related legal matters	1.00	1.00	-	1.00	-	3.00	1,220.00	406.67
39 Stock	1.00	1.00	-	1.00	-	3.00	1,220.00	406.67
71 Other Assets	1.00	1.00	2.00	5.00	-	9.00	2,720.00	302.22
Asset Realisation	8.00	17.00	47.00	23.00	-	95.00	31,285.00	329.32
60 Case Specific	2.00	3.00	5.00	5.00	-	15.00	5,065.00	337.67
72 Legal Matters	2.00	3.00	5.00	5.00	-	15.00	5,065.00	337.67
Case Specific Matters	4.00	6.00	10.00	10.00	-	30.00	10,130.00	337.67
50 Creditor Correspondence	1.00	2.00	6.00	5.00	-	14.00	4,370.00	312.14
51 Unsecured creditor claims	1.00	0.50	3.00	6.00	-	10.50	3,020.00	287.62
52 Secured creditor claims/Reporting	3.00	2.00	5.00	5.00	-	15.00	5,160.00	344.00
56 Retention of Title	2.00	2.00	5.00	5.00	-	14.00	4,615.00	329.64
55 Payment of dividends	1.00	1.00	3.00	5.00	2.00	12.00	3,020.00	251.67
63 Secured creditor reports	1.00	5.00	4.00	4.00	-	14.00	4,895.00	349.64
67 S120 Pension Reporting	-	-	3.00	-	-	3.00	900.00	300.00
Creditors	9.00	12.50	29.00	30.00	2.00	82.50	25,980.00	314.91
20 SIP2 Review	1.00	4.00	4.00	5.00	-	14.00	4,670.00	333.57
21 CDDA Reports	1.00	4.00	3.00	5.00	-	13.00	4,370.00	336.15
22 Antecedent Transactions	1.00	8.00	3.00	5.00	-	17.00	6,170.00	362.94
65 Director's Correspondence	1.00	3.00	3.00	5.00	-	12.00	3,920.00	326.67
Investigations	4.00	19.00	13.00	20.00	-	56.00	19,130.00	341.61
TOTALS	34.50	81.50	214.50	112.00	15.00	457.50	145,027.50	325.01

Work for which the Administrator is seeking to be remunerated on a time cost basis:

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 (as applicable).
- 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 (as applicable).
- Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).
- Preparing, reviewing and issuing proposals to the creditors and members.
- Filing the proposals at Companies House.
- Reporting on the outcome of the decision of creditors to the creditors, Companies House and the Court.
- 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 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, reviewing and issuing 6-month progress reports to creditors and members.
- Filing progress reports at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.
- Seeking closure clearance from HMRC and other relevant parties
- Preparing, reviewing and issuing final reports to creditors and members.
- Filing final reports at Companies House.

Realisation of assets:

- Arranging suitable insurance over assets.
- Regularly monitoring the suitability and appropriateness of the insurance cover in place.
- Corresponding with debtors and attempting to collect outstanding book debts.
- Liaising with the bank regarding the closure of the account.
- Instructing agents to value known assets.
- Liaising with agents to realise known assets.
- Instructing solicitors to assist in the realisation of assets.
- Instructing solicitors to assist in the realisation of the leased property.
- Liaising with the secured creditors over the realisation of the assets subject to a charge.
- Arrange monitoring and collection of the debtor book which formed part of the pre-pack sale as deferred consideration.
- Assist purchaser to secure an assignment or replacement lease.
- Collecting and making payment to the landlords under a licence to occupy.

Case Specific

- Arrange subsidiaries transfer for appropriate consideration.
- Review share transfer and sale documents.
- Quantify Director Loan Accounts.
- Investigate bank accounts pertaining to a commission arrangement.

Creditors:

- If required, issuing a notice of intended dividend and placing an appropriate gazette notice.

- Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.
- Calculating and paying a dividend to creditors and issuing the notice of declaration of dividend.
- Paying tax deducted from the dividends paid to employees.
- Dealing with retention of title claims.

Investigations:

- Recovering the books and records for the case.
- Listing the books and records recovered.
- Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act.
- Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.
- Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors

Appendix 6 – Pre-Appointment Time

Time Entry - Detailed SIP9 Time & Cost Summary

DES003 - Odessa Print Group Ltd

to 31/10/2019

Project Code: PRE

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
1. Case Planning	0.00	8.50	70.60	0.00	79.10	24,915.00	314.98
2. Administrative Set Up	0.00	0.00	3.70	0.00	3.70	1,020.00	275.68
3. Appointment Notification	0.00	0.00	5.00	0.00	5.00	1,125.00	225.00
4. Case Monitoring	0.00	0.00	2.00	0.00	2.00	600.00	300.00
5. General Administration	0.00	0.00	0.40	0.00	0.40	90.00	225.00
6. Cashing	0.00	0.00	0.50	0.00	0.50	112.50	225.00
Pre Appointment Work	29.90	8.50	9.00	0.00	47.40	22,820.50	481.45
Admin & Planning	29.90	17.00	91.20	0.00	138.10	50,683.00	367.00
Unsecured creditor claims	0.00	0.00	2.00	0.00	2.00	450.00	225.00
editors	0.00	0.00	2.00	0.00	2.00	450.00	225.00
Total Hours	29.90	17.00	93.20	0.00	140.10	51,133.00	364.98

Appendix 7 – Moorfields Charging and Disbursements Policy

Practice fee recovery policy

In accordance with best practice we provide below details of policies of Moorfields, in respect of fees and disbursements for work in relation to insolvency estates.

The Partners will engage managers and other staff to work on the insolvent estate and statutory compliance diaries. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the estate's bank accounts. Work carried out by all staff is subject to the overall supervision of the Partners.

All time spent by staff working directly on case related matters is charged to a time code established for the case. Each member of staff has a specific hourly rate, which is subject to change over time.

The current charge out rates per hour of staff within the firm who may be involved in working on the insolvency follows. this in no way implies that staff at all such grades will work on the case.

GRADE	£
Partner	545
Director/ Senior Manager	450
Manager	380
Assistant Manager	300
Senior Associate	255
Associate	225
Cashier/ Support	195

The rates charged by Moorfields are reviewed periodically in January & July each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time in units of 6 minutes

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time cost basis the time invoiced will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors, the report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs. The current hourly rates may be higher than the average rates, if hourly rates have increased over the period covered by the fee request

Approved remuneration will be drawn at such times that sufficient funds are available.

OTHER COSTS

In accordance with Statement of Insolvency Practice No. 9, where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.

Category 1 Disbursements

Separate charges are made in respect of directly attributable expenses (Category 1 disbursements) such as travelling, postage, photocopying (if external provider), statutory advertising and other expenses made on behalf of the assignment.

Such disbursements can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors. In line with SIP 9, it is our policy to disclose Category 1 disbursements drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the disbursements drawn.

Category 2 Disbursements

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred by Moorfields for the provision of services which include an element of recharged overhead, for example, room hire or document storage. SIP 9 provides that such disbursements are subject to approval as if they were remuneration. It is our policy, in line with the Statement, to seek approval for Category 2 disbursements before they are drawn.

The following Category 2 disbursements are currently charged by this firm

- Photocopying charge for sending out circulars – 5 pence per sheet.
- A set-up charge of £50 per case for online creditor reporting where applicable
- Mileage allowances are paid at HM Revenue & Customs approved rates. For personnel using their own vehicles, these are currently 45 pence per mile for the first 10,000 miles and 25 pence per mile thereafter.
- A charge of £10 for identification searches per director to comply with Money Laundering Regulations.
- A charge of £100 for FAME investigation searches

It should be noted that disbursements costs might increase from time to time, however, increases would only be in line with inflation or increases from our supplier

Appendix 8 – SIP 16 Disclosure Statement

Odessa Print Group Ltd (In Administration)

Joint Administrators' Report on the Sale of Business and Assets

in accordance with

Statement of Insolvency Practice 16

22 October 2019

Company Background

Located at two sites in the South East, the Company operated a commercial printing business specialising in the manufacture of outdoor large format digital and lithographic prints

The Company had c.180 customers and had 72 UK based full time employees

In the last few years, demand for printed outdoor products (i.e. billboards) declined as LED digital advertising screens have increased in popularity.

In an attempt to mitigate the decline in outdoor products, in January 2018 the Company introduced point of sale poster campaigns for retail and other industries as a service offering. The diversification required a change in strategy, operational processes, additional plant and machinery and resource.

However, the point of sale poster campaign revenue was not sufficient to replace the declining revenue from the outdoor products, and there were production control issues and increased capital expenditure requirements which adversely affected the Company's margins and working capital

Losses during 2018 and 2019 contributed to a working capital requirement in excess of £800k for which further capital was not able to be raised, either from the existing shareholders or external debt or equity

Given the cash deficiency and growing creditor pressure, the Company entered administration and immediately a sale of the Company's business and assets was completed. Alternative options were considered and are further discussed below

A summary of the Company's recent trading performance is shown below

Statutory Accounts £'000	Draft Management Accs 30 Sept 19	Draft Year End 30 Sept 18	Filed Year End 30 Sept 17
Turnover	13,322,376	15,275,231	13,816,974
Cost of Sales	(10,075,891)	(11,421,943)	(10,344,155)
Gross Profit	3,246,485	3,853,378	3,472,819
<i>Gross Profit %</i>	24%	25%	25%
Operating Loss		(255,405)	202,487
Net Profit/Loss after tax	(437,193)	(301,000)	105,948

It should be noted that the management accounts have not been verified for accuracy and therefore may not reflect the Company's true trading position

Background to Administration

Registered on 11 January 2019, Aldermore holds a first ranking fixed and floating charge debenture over the assets of Odessa, a fixed charge chattel mortgage over specific plant and machinery and an assignment of the Company's trade receivables. At the date of Administration Aldermore was owed approximately £1.8m (£1.2m under a Confidential Invoice Discounting Facility and £600k on plant and machinery loans) Aldermore's debt was personally guaranteed by the directors

In April 2019, the Company and Aldermore engaged Moorfields to undertake an independent business review ("the IBR") of the Company. The Company was in breach of its covenants with Aldermore and Moorfields were subsequently engaged to monitor the Company's performance

In August 2019, the Company was requested to re-bank and Moorfields were engaged by the Company to source alternative finance as well as negotiate a deferment of c. £500k HMRC liabilities.

In September 2019, as a contingency, the Company also engaged Moorfields to market the Company for sale as well as marketing the Company's business and assets should it be necessary to proceed into Administration. This process is discussed later in the report.

The Company was unsuccessful in obtaining alternative funding and HMRC would not agree to a time to pay arrangement. No offers were received for the Company as a going concern

Having exhausted these options, the directors resolved that the Company was insolvent on both a cash flow and a balance sheet basis and should proceed into Administration. The Administrators' options were for the Company to be subject to a formal winddown or on receipt of a satisfactory offer from the Directors, sold to a new company formed by the Directors through a pre-pack administration process.

Role of the Insolvency Practitioner

Prior to the commencement of the Administration I advised the Board as a whole, acting on behalf of the Company, about the Company's financial difficulties and provided advice about the options available to the Company to help determine an appropriate course of action to take. No advice was given to the individual directors regarding the impact of the insolvency of the Company on their personal financial affairs. We advised the directors to seek their own independent legal advice regarding their personal position. Whilst not formally in office at that time, I was still required to act in my dealings with the Company in accordance with the Insolvency Code of Ethics

Ultimately the Company was placed into Administration and I was appointed Joint Administrator. As Joint Administrator I am an officer of the Court and I have taken over the management of the Company from the Board. The purpose of the Administration is to achieve one of the hierarchy of statutory objectives, namely to:-

- A. rescue the Company as a going concern, or
- B. achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), or
- C. realise property in order to make a distribution to one or more secured or preferential creditors.

More information about the objective I am seeking to achieve in respect of the Company is set out below.

In order to help me achieve the objective I have a wide range of powers, as set out in the insolvency legislation and I must perform my functions as quickly and efficiently as is reasonably practicable. I must also act in the interests of the creditors of the Company as a whole other than where objective c) is being pursued I need only ensure that I do not unnecessarily harm the interests of the creditors of the Company as a whole

Alternative Pre-appointment Considerations

Alternative options were considered and either pursued without success as previously discussed or deemed inappropriate for the reasons set out below:

A CVA was not considered to be a viable option because the Company's trading forecasts did not demonstrate an ability to put forward a CVA. Notwithstanding this, the Company would require alternative debt facilities and these were not available.

The pre-pack sale of the business enables me to achieve the objective set out above as it achieves a better result for the creditors as a whole than would be likely if the Company had been placed into Liquidation without first being in Administration, as I have indicated above. I can also confirm that the outcome achieved as a result of the pre-pack sale was the best available outcome for creditors of the Company as a whole in all the circumstances of the case.

The option of trading in Administration was assessed and considered to not be possible given the Company was not able to trade profitably, as well as the lack of alternative offers and the losses involved. For those reasons, continuing to trade with no prospect of a better offer would have further impacted the return to creditors. It was therefore not necessary to consider sourcing alternative funding, however had we done so we anticipate it would not have been possible because any lender would require first ranking security over the assets which would not have been available given Aldermore's position. Aldermore was the majority and only secured creditor, they were consulted with throughout the process.

Valuation of the business and assets

Gordon Brothers were engaged to provide a valuation for the Company's tangible assets on 10 October 2019.

- The valuation was undertaken by James Acton MRICS, and reviewed by Neal Weekes, Director at Gordon Brothers (together "the Valuers"),
- The Valuers have previously valued the Company's assets, but do not consider this to be a conflict and therefore consider themselves to be independent valuers in this instance,
- The Valuers confirmed that Gordon Brothers has Professional Indemnity Insurance in excess of £5,000,000;

Gordon Brothers provided an independent valuation to the Company in December 2018. Prior to our appointment, the Administrators engaged Gordon Brothers to update their valuation (summarised below)

	In-situ £	Ex-situ £ (90 days)	Consideration Achieved
Plant, Equipment, Fixtures & Fittings	1,017,000	775,000	789,000
Stock	87,500	14,500	1
Equity in HP	18,788	3,373	0
Goodwill / intangibles	-	-	20,000
Office equipment	-	-	10,000
Total	1,123,288	792,873	819,001

In Gordon Brothers' valuation, on an in-situ basis, the Company would have had to continue paying wages (c. £165k p/m), lease payments (c. £135k p/q) as well as additional costs for utilities and supplies (c. £120k) for the value of the stock to be converted into work in progress. Therefore, this would have required a minimum additional investment of c. £420k as well as additional costs of marketing the business. If the in-situ valuation sale price was achieved, this would have likely returned c. £703k for the assets of the business.

Similarly to the above, on an ex-situ basis, there would have been further costs incurred for lease payments (c. £135k p/q) as well as skeleton staff and utilities to manage the winddown as the machines are not capable of simply being turned off without damaging that equipment. The additional costs (not

including lease payments and wages) are estimated at c £60k - £100k for the 90-day period. It is likely this would have returned £597k, best case scenario.

The sale price achieved for the tangible assets and goodwill was £819k. In context, the consideration achieved is reasonable given the additional costs which would be incurred in the alternative scenario. The sale achieved resulted in a better outcome for creditors than the other scenarios.

It is important to note that the above valuation does not consider any consideration payable for Goodwill or Intangible Assets. This is further discussed in consideration achieved in the Details for Pre-Pack below. Similarly, the debtor book was not formally valued, however an assessment was made of the likely recoverability of the debtors and a mechanism included in the sale to ensure the Administrators would benefit from in the event that higher than expected recoveries were achieved. This is also discussed below in details of the pre-pack.

Marketing of the Business and Assets

In order to widely advertise the Company's business and assets, two separate forms of marketing occurred, a targeted email notice to parties whom have previously expressed interest in purchasing assets of this nature and an advert marketing the sale on www.ip-bid.com which detailed the nature of the business, brief background and the proposed assets for sale. It is our view that these activities meet the requirements as set out in SIP 16 in accordance with the marketing fundamentals.

The parties who expressed interest are included in more detail below

Targeted Mailout

As noted above, prior to appointment, the proposed Administrators ran an accelerated marketing process for the Company's business and assets in an attempt to sell the business on a going concern basis

In early September 2019, a sanitised summary document of the potential opportunity and an NDA was sent to 124 potential interested parties. 87 of those parties were private equity and replacement debt providers, 23 were specifically targets trade parties, and 14 were identified from IP Bid (www.ip-bid.com).

The email included all relevant disclaimers and the following sentence relating to the business; "... you have expressed interest in the opportunity to purchase a printing business with assets of £5.2m and positive EBITDA forecast for FY20."

Five parties provided signed NDA's and accordingly were provided access to the data room containing information in respect of the Company.

None of those parties expressed interest in submitting formal offers for the Company's business as a going concern, though some were potentially interested in some items of equipment should the Company be subject to a formal winddown and tender process for the remaining assets.

It is considered that a combination of the online marketing as well as the targeted mailout was sufficient to test the market for the Company's business as these activities are proportionate to the nature and size of the business. I am satisfied that the marketing undertaken has achieved the best outcome for creditors as a whole in all the circumstances of the case

Given the disinterest in the market for any party to purchase the business as a going concern, it was considered that the directors purchasing the business and assets was the only means for the Company's business to be sold as a going concern, therefore achieving the maximum value for the Company's assets and the best outcome for the Company's creditors. The only alternative scenario would have been an orderly winddown of the Company's business which would have been to the detriment of the Company's creditors.

Details of the Pre-Pack Sale

Purchaser

The Company's two statutory directors, Laurence Matthews and Robert Charles, incorporated Odessa UK Limited to purchase the Company's business and assets. As detailed above, this offer was the only offer received for the Company's business and resulted in the best possible outcome for the Company's creditors. The purchase was funded by debt secured against the assets purchased and the Directors' personal assets. The Directors have also provided limited personal guarantees in respect of those debts.

Consideration achieved

On 18 October 2019, the Company sold its business and assets to Odessa UK Limited for a consideration of £2,097,273 on a going concern basis.

Fixed Charge Assets

- Plant and Machinery - £789,000
- Stock and WIP - £1
- Goodwill, IPR, Customer Contracts, and Website - £20,000
- Debtors - £1,278,273 and Deferred Consideration (see below).

Floating Charge Assets.

- Office Equipment - £10,000

Please note the Aldermore's security position is discussed more fully above under the section Background to Administration

Deferred consideration:

The total outstanding sales ledger was £2,469,154 as at the date of administration, however after accounting for rebate provisions, bad debts and other contras the net realisable ledger was expected to be no more than £1.7m

The sale agreement provides for the purchaser to account periodically to the Administrators for 50% of debts received in excess of the initial consideration, less a 3% collection fee payable to the purchaser.

The Company has a registered second ranking debenture over the assets of the purchaser to secure the Deferred Consideration.

In an alternative winddown scenario, the collectability and recoverability of the debts becomes compromised and would attract significant collection costs. Achieving a sale as a going concern preserved the value of those debtors, and it is therefore reasonable to conclude that consideration achieved is acceptable.

Goodwill

It is important to note that the accelerated marketing process (discussed above) concluded that weight can be given to any offers received as being the true market value for the Company's business and assets. As no offers were received by potential interested parties to purchase the Company's business throughout the marketing process, it is reasonable to conclude that the market value was zero.

Consideration achieved for Goodwill and intellectual property was £20,000. The marketing process was sufficient to value 'the business / goodwill' aspect of the transaction without the need for an independent valuation. This is further supported for no offer for the goodwill by any party who participated in the sale process.

The employees were transferred in accordance with TUPE regulations as part of the going concern which has enabled those employees to be meaningful employment.

Assets Acquired from an IP in Prior 12 Months

Logans Run Print Management Limited (In Liquidation) ("Logans Management") was a customer of the Company which had been placed into liquidation on 7 November 2018.

Paul Logan ("PL") was the sole director of Logans Management which operated in a niche film promotion market. Logans Management owed c. £200k to Odessa.

The Company purchased the business and assets from the liquidator for c. £17k via a separate SPV, in order to capitalise upon the connections of PL, who was employed by Logans Run Print Marketing Limited ("Logans Marketing"), though his salary was paid by the Company

Work introduced by PL was put through the Company accounts and we understand that Logans Marketing is not used operationally at this stage and solely for marketing purposes

Prior to our appointment, the Company wrote off the outstanding debtor of c. £200K from Logans Management. They recognised the investment in the separate legal entity, Logans Marketing of c. £17k which will hold no value on the basis that any potential value rests with PL.

Moorfields were not the liquidator nor was anyone at Moorfields connected with or involved in that acquisition

Connected Party Transactions

As indicated above, the purchaser of the business and assets of the Company is a connected party. Connected party purchasers are encouraged to, but are not required to, approach what is known as the pre-pack pool, an independent group of suitably qualified and experienced individual, in order to obtain their opinion on the pre-pack transaction. The connected party purchaser has to pay £950 plus VAT to the pre-pack pool for them to provide this opinion.

In this instance I understand that the connected purchaser has not approached the pre-pack pool for their opinion on the pre-pack sale

Connected party purchasers are also encouraged to, but are not required to, prepare a viability statement indicating how their business will survive for at least 12 months from the date of the purchase, and detailing what they will do differently from the Company in Administration in order that the business will not fail. I note we were not provided with a viability statement.

Conclusion

Our appointment and the transaction completed on Friday, 18 October 2019. We are required to notify creditors within 7 days of the pre-pack transaction. Two days grace must be afforded to the time taken for mail to be delivered. It was therefore not practicable to complete the proposals within the time period of sending the SIP 16 notification.

The Company's business was unable to be sold as a going concern had the directors not purchased it through a pre-pack sale. No other parties made offers to purchase the business, and in a winddown scenario there would be a lower return to creditors. Accordingly, this pre-pack was in the interests of creditors as a whole and appropriate in the circumstances of the case

I confirm that the sale price achieved, and also the outcome, was the best available outcome for creditors of the Company as a whole in all the circumstances of the case and that the pre-pack sale achieves the statutory purpose of the Administration that I am seeking to achieve in respect of the Company

Opting Out

If you do not wish to receive any future documents regarding the insolvency proceedings, you may elect to become an opted out creditor at any time by notifying me in writing that you wish to opt out of future documents. Once you have opted out, you will remain as such unless or until, you revoke your notice to opt out in writing. Please note that I am still required to notify you of certain aspects of the insolvency proceedings, in particular regarding dividends. Further information regarding opting out is enclosed

Use of Website

I intend to take advantage of the legislative provisions whereby I can put future documentation relating to the Administration on to a website and need not write to creditors to notify them that I have done so. Further information about this is set out in the enclosed notice

Further Information

To comply with the Provision of Services Regulations, some general information about Moorfields, including about our complaints policy and Professional Indemnity Insurance, can be found at <http://www.moorfieldscr.com/terms-and-conditions>.

In accordance with the provisions of the General Data Protection Regulations the lawful basis for processing your personal data is in order to comply with my legal obligations set out in the Insolvency Legislation, the purpose of processing the data is to administer the insolvent estate. Your data will be retained by me for 6 years and 3 months following my vacation of office. Further details regarding how we process your personal data can be found in our Privacy policy located here: <https://www.moorfieldscr.com/privacy-policy>

The statutory provisions relating to remuneration are set out in Rule 18.16 of the Insolvency Rules 2016. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Insolvency Practitioners Association at <http://www.icaew.com/en/technical/insolvency/creditors-guides> please refer to the April 2017 version or a hard copy is available upon written request to me.

Ethics

Finally, as an Insolvency Practitioner, when carrying out all professional work relating to my appointment as Joint Administrator I would confirm that I am bound by the Insolvency Code of Ethics. I can confirm that no threats to the *Fundamental Principles* exist.

Yours faithfully

For and on behalf of
Odessa Print Group Ltd



Tom Straw
Joint Administrator

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