

Liquidator's Progress Report

S.192

Pursuant to Sections 92A, 104A and 192 of the Insolvency Act 1986

To the Registrar of Companies

Company Number

02650075

Name of Company

(a) Insert full name of company

(a) **Shelfco 1234 Limited (Formerly Gemini Press Limited)**

(b) Insert name(s) and address(es) of liquidator(s)

We (b) Jonathan James Beard
Begbies Traynor (Central) LLP
2/3 Pavilion Buildings
Brighton
East Sussex
BN1 1EE

John Walters
Begbies Traynor (Central) LLP
2/3 Pavilion Buildings
Brighton

the Liquidator(s) of the company attach a copy of our Progress Report statement of receipts and payments under Section 192 of the Insolvency Act 1986

The Progress Report statement of receipts and payments covers the period from 16 April 2015 to 15 April 2016

Dated

Signed

Joint Liquidator

Name in
BLOCK LETTERS

JONATHAN JAMES BEARD

Presenter's name,
address and reference
(if any)

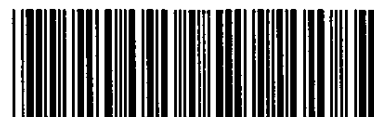
SH212CVL
Shelfco 1234 Limited (Formerly Gemini Press Limited)
Jonathan James Beard
Begbies Traynor (Central) LLP
2/3 Pavilion Buildings
Brighton
East Sussex
BN1 1EE

For Official Use

Liquidation Section

Post Room

FRIDAY



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COMPANIES HOUSE



**Shelfco 1234 Limited
(Formerly Gemini Press Limited)
(In Creditors' Voluntary Liquidation)**

Progress report

Period: 16 April 2015 to 15 April 2016

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1 INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Shelfco 1234 Limited (Formerly Gemini Press Limited) (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 16 April 2015
"the liquidators", "we", "our" and "us"	Jonathan James Beard and John Walters of Begbies Traynor (Central) LLP, 2/3 Pavilion Buildings, Brighton, East Sussex, BN1 1EE
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2 COMPANY INFORMATION

Trading names	Gemini Press, Gemini Brighton & Gemini West
Company registered number	02650075
Company registered office	2/3 Pavilion Buildings, Brighton, BN1 1EE
Former trading address	Unit A1 Dolphin Way, Shoreham by Sea, West Sussex, BN43 6NZ

3 DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	16 April 2015
Date of liquidators' appointment	16 April 2015
Changes in liquidator	None

4 PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 16 April 2015 to 15 April 2016

Settlement

As we were reviewing the position of the Company it became apparent that there may be some historic funds due from a former director of the Company. The former director in question is deceased and, at the time the Company entered into liquidation, their estate had not yet been distributed to its beneficiaries.

Considerable time was spent reviewing the position and liaising with the Company's directors in order to quantify the funds that appeared to be due. We then made contact with the representatives of the former director's estate in order to agree a suitable settlement.

Following negotiation, settlement was agreed at £15,000, which was received in October 2015.

No further realisations are anticipated in this regard.

Sundry receipts

In March 2016 the sum of £1.98 was received in respect of an IVA where the Company is a creditor. No further realisations are anticipated in this regard.

Investigation into sale of the business

As detailed within the initial report of the creditors' meeting at the outset of the liquidation, the business and assets of the Company were purchased in August 2013 by an associated company.

We have undertaken an extensive review of the transfer of the business and have liaised with the Company directors, the Company's accountants and representatives of the Company's major creditor in respect of the same. We have also taken legal advice on the transfer of the business.

The basis of our review was to ascertain whether the circumstances of the transfer may lead to a recovery for the benefit of creditors. Following our investigation we would advise that it is not anticipated there will be any realisations to the estate arising from the transfer of the business.

Sums due from subsidiary companies

The principle asset in the director's statement of affairs is the sum due to the Company from two subsidiary companies, which ceased to trade in 2013 and were placed into solvent liquidation in March 2015.

The solvent liquidation of one of the subsidiary companies was converted to an insolvent liquidation in February 2016 following two creditor claims coming to light in late January 2016. As a result the funds that were due from that subsidiary company are no longer expected to be received.

We understand that the funds due from the second subsidiary company should be received shortly and are expected to total c£18k.

5 ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs included within the report sent to creditors further to our appointment as liquidators

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows

Preferential creditors

There are no known preferential claims

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows

- ☐ 50% of the first £10,000 of net property,
- ☐ 20% of net property thereafter,
- ☐ Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit, (Section 176A(3)) or
- ☐ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors

Unsecured creditors

We consider that there will not be sufficient funds for a dividend to be paid to unsecured creditors

6 REMUNERATION & DISBURSEMENTS

Remuneration

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act on 16 April 2016 by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the winding up and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance

with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report

Our time costs for the period from 16 April 2015 to 15 April 2016 amount to £33,758 50, which represents 136 6 hours at an average rate of £247 13 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period to
- ☐ Begbies Traynor (Central) LLP's charging policy

To date, we have not drawn any fees on account of the time costs incurred since the date of our appointment

Disbursements

To date, we have drawn Category 1 disbursements in the sum of £344 56

No Category 2 disbursements have been drawn

A copy of 'A Creditors' Guide to Liquidators Fees (E&W)' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy

7 LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3

8. ASSETS THAT REMAIN TO BE REALISED

Investment in subsidiary company

As detailed above, we anticipate that the Company will shortly receive the distribution due to it from the subsidiary company in solvent liquidation

Lease deposit

As a result of our investigations into the transfer of the business it has come to light that the Company may have a claim in respect of a lease deposit that was held by Lombard prior to the business transfer. The lease deposit was £20k, although it is not currently clear what balance is remaining and this is currently under review

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated at the meeting of creditors convened pursuant to Section 98 of the Act, such

report having also been sent to creditors following the meeting, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

Connected party transactions

In accordance with Statement of Insolvency Practice 13, we confirm that the following assets were sold by the Company in August 2013 to an associated company.

Date of sale	Asset sold and nature of transaction	Consideration paid and date	Name of Purchaser	Relationship with the Company
August 2013	Business and assets of the Company	c£1.1m Paid over various dates	Gemini Print Southern Ltd	Associated company

We understand that the Company obtained valuations of the principle assets from Marriott & Co, specialist machinery and asset valuers.

We have outlined the investigations that we have undertaken into this transaction in the main body of the report.

10 CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 4.49E of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been detailed in this progress report.

Right to make an application to court

Pursuant to Rule 4.131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.



J J Beard
Joint Liquidator

Dated 13 June 2016

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 16 April 2015 to 15 April 2016

RECEIPTS AND PAYMENTS ACCOUNT

PERIOD 16 APRIL 2015 to 15 APRIL 2016

	Period from 16 April 2015 to 15 April 2016	
	£	£
Receipts		
<u>Assets not subject to a fixed charge</u>		
Settlement	15,000 00	
Cash at Bank	90 36	
Bank Interest (gross)	9 30	
Sundry Receipts	1 98	
		15,101 64
Payments		
Statement of Affairs Fees	(5,000 00)	
Statutory Bond	(67 50)	
Legal Fees	(2,211 50)	
Accountancy Fees	(1,100 00)	
Postage	(23 26)	
Statutory Advertising	(253 80)	
		(8,656 06)
Balance Held		<u><u>6,445.58</u></u>
Balance held as		
Current Account		4,719 57
VAT Receivable		1,726 01
		<u><u>6,445 58</u></u>

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's charging policy,
- b Narrative summary of time costs incurred, and
- c Table of time spent and charge-out value for the period from 16 April 2015 to 15 April 2015

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories.

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

In addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements.

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Brighton office as at the date of this report are as follows

	Standard 1 May 2011 – until further notice Regional
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in units 6 minute units

SUMMARY OF TIME COSTS AND EXPENSES

This summary, which should be read in conjunction with the Time Costs Analysis attached, is intended to provide sufficient information to enable the body responsible for the approval of our fees to consider the level of our fees and expenses in the context of the case

What work has been done since we were appointed, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached

General case administration and planning

This category of work includes time spent undertaking general administration of the case files, dealing with the banking of receipts and payments and planning discussions between the case manager, appointed administrators and case staff

In the particular circumstances of this case it has included planning in respect of the claim against the estate of a former director and considerable planning in respect of our investigations into the transfer of the business in August 2013

This category of work does not have a direct financial benefit to creditors

Compliance with the Insolvency Act, Rules and best practice

This category of work includes time spent undertaking reviews of the liquidation of the case to ensure that matters are being progressed in line with statute and best practice guidance

In addition, it is necessary for liquidators to report to creditors in line with the statutory reporting schedule appropriate to the case

This category of work does not have a direct financial benefit to creditors

Realisation of assets

This category of work includes time spent realising the assets of the Company

The work undertaken in respect of the realisation of assets in the specific circumstances of this case is detailed more fully in the body of the report

This category of work is of financial benefit to the estate

Dealing with all creditors' claims (including employees), correspondence and distributions

Time spent in respect of this category of work includes dealing with general creditor correspondence and telephone calls

In the circumstances of this case there has been considerable discussion with representatives of the major creditor

This work is not directly of financial benefit to creditors

Other matters which includes meetings, tax, litigation pensions and travel

Time spent in this category relates to undertaking our statutory reporting duties in respect of the Company's tax obligations

Time Costs Analysis

An analysis of time costs is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type

Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only

Category 2 Disbursements

No category 2 disbursements have been charged to this case

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General case administration and planning

It will be necessary to continue to undertake general housekeeping of the case files and plan the remaining strategy for finalising the liquidation

Compliance with the Insolvency Act, Rules and best practice

It will be necessary for the joint liquidators to continue to comply with statute and best practice guidelines. In particular, there will be a requirement for at least one more full progress report to be sent to creditors

Investigations

Now that the liquidation has been converted to an insolvent CVL it will be necessary for the liquidators to prepare a report to the Secretary of State in respect of the directors as is standard practice in all insolvent liquidations

Accordingly time will need to be spent reviewing the Company's records to ensure that there are no areas of concern and undertaking investigations as necessary

Realisation of assets

There are a small number of assets remaining to be realised, as outlined within the body of the report

As such, it will be necessary to spend additional time finalising the position in respect of the same

In addition, should any potential assets come to light that we are currently unaware of we will need to realise the same as appropriate

Dealing with all creditors' claims (including employees), correspondence and distributions

It is not currently considered likely that there will be a dividend to any class of creditor and, as such, it is not expected that there will be much ongoing work to do in this category as it will not be appropriate to agree claims

However, some time is anticipated to be spent dealing with creditors' general queries and liaising with the major creditor's representatives

Other matters which includes meetings, tax, litigation, pensions and travel

It will be necessary to continue to comply with the Company's post liquidation tax obligations

How much will this further work cost?

In accordance with Statement of Insolvency Practice 9 we are required to provide an estimate of the future costs of the work to be undertaken within the liquidation with this report

Based upon current information we anticipate that our future costs to finalise the liquidation will be up to £15,000 00

Expenses

Based upon current information we anticipate that our future expenses will be as follows

Legal fees	up to £6,000
Statutory advertising	up to £200
Postage	up to £50

SIP9 Shelfco 1234 Limited - Creditors Voluntary Liquidation - 02SH212.CVL : Time Costs Analysis From 16/04/2015 To 15/04/2016

Start Grade	Partner	Director	Sr Ingr	Ingr	Asst Ingr	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average Hourly rate £
General Case Administration and Planning												0.00
Administration	27.5						7.1	5.5		40.1	12,420.00	309.86
Total for General Case Administration and Planning	27.5						7.1	5.5		40.1	12,420.00	309.86
Compliance with the Insolvency Act Rules and best practice	0.7									0.7	276.50	385.00
Appointment												
Banking and Bonding							1.9		1.1	3.0	322.50	107.50
Case Closure												0.00
Statutory reporting and statement of affairs												0.00
Total for Compliance with the Insolvency Act Rules and best practice	0.7						1.9		1.1	3.7	599.00	161.89
Investigations	13.6						43.8	2.5		59.9	11,560.00	192.99
CDOA and investigations												
Total for Investigations	13.6						43.8	2.5		59.9	11,560.00	192.99
Realisation of assets												0.00
Debt collection												
Property, business and asset sales							12.6			12.6	1,701.00	135.00
Re emon of Tied/Third party assets												0.00
Total for Realisation of assets							12.6			12.6	1,701.00	135.00
Trading												0.00
Total for Trading												0.00
Dealing with all creditors claims (including employees) correspondence and distributions												0.00
Secured												
Others	17.2						1.7			16.9	7,023.50	371.61
Creditors committee												0.00
Total for Dealing with all creditors claims (including employees) correspondence and distributions	17.2						1.7			16.9	7,023.50	371.61
Meetings	1.0									1.0	395.00	395.00
Other												0.00
Tax							0.4			0.4	54.00	135.00
Liquation												0.00
Total for Other matters	1.0						0.4			1.4	449.00	320.71
Total hours by staff grade	60.0						67.5	8.0	1.1	138.6		
Total time cost by staff grade	23,700.00						8,112.50	800.00	66.00		33,758.50	
Average hourly rate £	395.00	0.00	0.00	0.00	0.00	0.00	125.00	110.00	60.00			247.13
Total fees drawn to date £										0.00		

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Accountancy fees	Friend James Limited	3,150 00	1,100 00	2,050 00
Legal fees	Mayo Wynne Baxter LLP	4,211 50	2,211 50	2,000 00
	DMH Stallard LLP			
Statutory advertising	Courts Advertising Limited	253 80	253 80	Nil
Bonding	AUA Insolvency Risk Services Limited	67 50	67 50	Nil