

LIQ03

Notice of progress report in voluntary winding up



Companies House

THURSDAY



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16/01/2020

#35

COMPANIES HOUSE

1 Company details

Company number 0 2 6 5 0 0 7 5

Company name in full Shelfco 1234 Limited (formerly Gemini Press Limited)

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) David

Surname Rubin

3 Liquidator's address

Building name/number Pearl Assurance House

Street 319 Ballards Lane

Post town London

County/Region

Postcode N 1 2 8 L Y

Country

4 Liquidator's name ①

Full forename(s) David

Surname Buchler

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 6

Street Grosvenor Street

Post town London

County/Region

Postcode W 1 K 4 P Z

Country

② Other liquidator
Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 1	^d 5	^m 1	^m 1	^y 2	^y 0	^y 1	^y 8
To date	^d 1	^d 4	^m 1	^m 1	^y 2	^y 0	^y 1	^y 9

7 Progress report

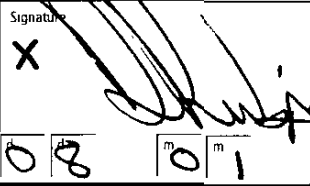
☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

08 01 2020

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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	Eveline Tipping
Company name	David Rubin & Partners
Address	Pearl Assurance House 319 Ballards Lane
Post town	London
County/Region	
Postcode	N 1 2 8 L Y
Country	
DX	Finchley 1
Telephone	020 8343 5900



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 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

IN THE MATTER OF
SHELFCO 1234 LIMITED (FORMERLY GEMINI PRESS LIMITED) - IN
LIQUIDATION

AND
THE INSOLVENCY ACT 1986

THE JOINT LIQUIDATOR'S ANNUAL PROGRESS REPORT
PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986
AND
PART 18 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016
FOR THE YEAR ENDED 14 NOVEMBER 2019

SHELFCO 1234 LIMITED (FORMERLY GEMINI PRESS LIMITED) - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

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SHELFCO 1234 LIMITED (FORMERLY GEMINI PRESS LIMITED) - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(a) Introduction

This report provides an update on the progress in the Liquidation pursuant to Section 104A of the Insolvency Act 1986 for the year ended 14 November 2019. This report should be read in conjunction with our previous annual progress reports and our predecessors' final progress report.

Rule 18.3: Progress Report

(b) Statutory information

Company name: Shelfco 1234 Limited (formerly Gemini Press Limited)
Registered office: Pearl Assurance House, 319 Ballards Lane, London, N12 8LY
Company number: 02650075
Trading address: Unit A1 Dolphin Way, Shoreham by Sea, West Sussex, BN43 6NZ

(c) Joint Liquidator's name and addresses:

David Buchler of Buchler Phillips, 6 Grosvenor Street, London, W1K 4PZ and I, David Rubin, Office Holder Number: 2591, of David Rubin & Partners, Pearl Assurance House, 319 Ballards Lane, London, N12 8LY were appointed Joint Liquidators of the Company on 15 November 2016.

(d) Any changes in the Office Holder

The Company was placed into Liquidation on 16 April 2015 and Jonathan James Beard and John Walters of Begbies Traynor (central) LLP were appointed as Joint Liquidators.

Following a request from the major creditor, a meeting of creditors was held on 15 November 2016 and Jonathan James Beard and John Walters of Begbies Traynor (central) LLP were removed as Joint Liquidators. At the same meeting, it was resolved that David Buchler of Buchler Philips and I, David Rubin of David Rubin & Partners be appointed as Joint Liquidators of the Company.

(e) Details of progress during the period and summary account of Receipts and Payments under review and cumulatively:

As creditors may recall, following a Mediation, the Company and the former Directors reached a settlement whereby the Directors on a joint and several basis were to pay the total sum of £350,000 into the Liquidation estate. The settlement agreement was signed on 1 August 2018 and the payment terms were as follows:-

£50,000 within 7 days of the Agreement;
£75, 000 within 3 months of the Agreement date; and
£225,000 within 6 months of the Agreement date.

I am pleased to report that payment has been received in full.

SHELFCO 1234 LIMITED (FORMERLY GEMINI PRESS LIMITED) - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

A Receipts and Payments Account is attached at Appendix A, which is further explained below. Also, attached at Appendix A is a cumulative Receipts and Payments Account for the period from 16 April 2015 to 14 November 2019.

1. Receipts

1.1 Settlement proceeds

As discussed in section (e) above, during the period under review a further amount of £225,000 was received in respect of the Settlement Agreement dated 1 August 2018.

1.2 Bank interest gross

The funds in hand are held in an interest bearing account with a high street bank in the names of the Joint Liquidators.

During the period covered by this report, the amount of £400.84 has been received in respect of interest earned on the funds in hand.

2. Payments

2.1 Specific bond

The specific bond is the cost of insurance, based on the level of realisations by the Liquidator, as required by the Insolvency Practitioners Regulations 2005.

2.2 Statutory advertising

This represents the costs for the publishing of statutory advertising in the London Gazette in respect of the notice of intended dividend and for creditors to submit their claims in the liquidation.

2.3 Professional fees

The amount of £2,040 plus VAT was paid to Pall Mall Investments Ltd as a reimbursement of their costs associated with obtaining counsel's advice as agreed for matters prior to the appointment of the Joint Liquidators.

The amount of £12,000 plus VAT was paid to MFASL in respect of their professional fees in relation to litigation support in relation to reaching the Settlement Agreement.

2.4 Legal fees

During the period under review, the amount of £29,200 plus VAT was paid to Clarke Mairs LLP for attending the mediation and their assistance in the negotiation and preparation of the Settlement Agreement.

Clarke Mairs were also paid £3,941.82 plus VAT in respect of their disbursements.

2.5 Joint Liquidators remuneration

This is discussed further below.

SHELFCO 1234 LIMITED (FORMERLY GEMINI PRESS LIMITED) - IN LIQUIDATION
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(f) Joint Liquidator's Remuneration and Expenses

1. Basis of remuneration

At the initial meeting of creditors convened under Section 98, our predecessors obtained creditors' approval for the Joint Liquidators fees to be based on time costs.

Following our appointment as Liquidators, we agreed with the main creditors for our fees to be based on a percentage basis. Accordingly, a vote by correspondence of creditors was sought and the creditors resolved that the Joint Liquidators would charge fees on a percentage basis being 20% on realisations and 10% on distributions, which is a basis permitted under Rule 18.16(2)(a)(ii) of the Insolvency Rules (England and Wales) 2016. This basis was favourable to creditors as even a low settlement will still see creditors being paid a dividend whilst on a time cost basis all of the realisations could potentially be absorbed by the Joint Liquidators' remuneration and expenses.

In view of the above, we wrote to creditors on 6 August 2018 in order to formalise this fee basis by obtaining creditors' approval via a Decision Procedure which was successfully approved on 22 August 2018.

2. Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team will usually consist of a Partner, Manager, Senior Administrator and two Administrators. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

We have not utilised the services of any subcontractors in this case.

3. Joint Liquidator's remuneration

To date, funds totalling £108,000 have been drawn by the Joint Liquidators in respect of their firms' time costs, £78,000 of which was drawn during the period under review.

To view an explanatory note concerning Liquidators' remuneration issued by the Joint Insolvency Committee, please visit the Publications folder on our website at www.drpartners.com/cases, using the following log-on details:

USERNAME: BPS101@drco.co.uk

PASSWORD: 101Spbem*!

Alternatively, please contact this office to arrange for a copy to be sent to you.

Included in the work undertaken by my staff and I during the period under review is as follows:-

- i) Liaising with Begbies Traynor with regards to gathering all documentation in relation to the Liquidation.
- ii) Carrying out quarterly bond reviews to ensure the assets are bonded at the correct level.

SHELFCO 1234 LIMITED (FORMERLY GEMINI PRESS LIMITED) - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

- iii) Carrying out regular case reviews to monitor the progress of the Liquidation.
- iv) Carrying out all necessary investigations, including the examination of the Company's statutory records, books of accounts and a detailed review of the Company's bank statements.
- v) Instructing solicitors, Clark Mairs LLP, in order to assist with formulating a claim against the Directors with a view to making recoveries for the benefit of the unsecured creditors.
- vi) Providing Clark Mairs LLP with a report on the findings of our investigations and extracted correspondence regarding matters which form the basis of the claims being formulated.
- vii) Preparing all necessary documentation and attending the Mediation in July 2018 in order to negotiate a settlement with the Directors of the Company to provide the best return to creditors.
- viii) Monitoring receipt of the payments due following the Settlement Agreement dated 1 August 2018.
- ix) Cashiering time in relation to the allocation of funds, payments and bank reconciliations.
- x) Lengthy discussions and correspondence with the major creditor of the Company in relation to their queries and our proposed fee basis.
- xi) Dealing with all matters in relation to the Decision Procedure and circulating the necessary documentation to the creditors of the Company.
- xii) Preparation and circulation of my annual progress reports and receipts and payments accounts to creditors pursuant to S92A of the Insolvency Act 1986 and submission of the same to the Registrar of Companies.
- xiii) Settling expenses incurred in the Liquidation as and when received.
- xiv) Adjudicating creditors' claims and paying a first interim dividend.

4. *Joint Liquidator's expenses*

Expenses incurred in the liquidation are explained at (e) above in my comments on the Receipts and Payments Accounts

5. *Creditors' rights – Rule 18.9 and Rule 18.34*

- i) 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) may request in writing that the Liquidator provides further information about his remuneration or expenses which have been itemised in this progress report.

SHELFCO 1234 LIMITED (FORMERLY GEMINI PRESS LIMITED) - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

- ii) Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the Liquidator's remuneration, the remuneration charged or the expenses incurred by the Liquidator as set out in this progress report are excessive.

(g) Creditors and Distributions

(i) (a) Secured creditors

There are no secured creditors.

(b) Prescribed Part

Section 176A of the Insolvency Act 1986 provides for a prescribed part of the Company's net property to be retained from distribution to the floating charge holder, where the debenture was created on or after 15 September 2003 and made available for the satisfaction of unsecured debts. As there are no unsatisfied floating charge holders, this section does not apply.

(ii) Preferential creditors

There are no preferential creditors.

(iii) Unsecured creditors

The Company's Statement of Affairs as at 15 November 2016 showed creditors of £538,618.72. We have agreed and adjudicated the claims of 6 creditors with claims totalling £494,258.17.

A first interim dividend of 25p in the £ was paid on 26 July 2019.

Since the period covered by this report, I have paid a second and final dividend of 12.37p in the £ on 13 December 2019.

Accordingly creditors have received a total dividend of 37.37p in the £.

(iv) Distribution

i) Trade & Expense Creditors

The amount of £99,851.31 was declared and paid to the Trade & Expense creditors on 26 July 2019.

ii) HM Revenue & Customs (VAT and PAYE)

The amount of £963.23 was declared and paid to HMRC on 9 August 2018 in respect of VAT and PAYE due for a pre Liquidation period.

iii) Inter-company loans

The amount of £22,750 was declared and paid to Shelfco 1235 Ltd on 26 July 2019 in respect of an Inter-company loan.

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Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(h) Details of what remains to be done

There are no outstanding matters and I will now initiate closing procedures.

(i) Other information of relevance to creditors:

Investigations

1. The main purpose of our appointment was to investigate the conduct of the Directors of the Company prior to the Liquidation. The main creditor of the Company, Pall Mall has a substantial outstanding liability which is shown on the Directors' Statement of Affairs as being in the region of £234,500. There were few other trade creditors. In the year ended 31 July 2013 the Company's audited financial statement showed that the Company's turnover was £10.3 million. The debts owed to Pall Mall arose out of a guarantee given by the Company to Pall Mall in respect of a lease on a property at Ghyll Road Industrial Estate, Heathfield, East Sussex taken by VIP Print Limited ("VIP"). VIP went into insolvent liquidation in 2011.

On 15 May 2013, the sole shareholder of the Company, John Boyle incorporated a new company, Gemini Print Southern PLC ("Gemini") which was re-registered as a limited company on 24 July 2013. Shortly after that, all the business and trade including creditors were transferred from the Company to Gemini. However, a few selected creditors such as Pall Mall and the Local Council were left behind seemingly because they would not disrupt the business going forward.

Our predecessor Liquidators took the view that the transfer of the business was not a transaction at an undervalue despite repeated requests by Pall Mall to take action against the directors. Our predecessors were willing to conclude their administration of the Liquidation and in principle therefore, to write off their unpaid time costs as irrecoverable.

Following our appointment as replacement Liquidators, we carried out an in depth review of the Company's books and records in order to establish the position and whether some creditors had been unfairly treated. Our investigations have included examinations of not only books and records but also correspondence and emails.

2. Following our review of the Company's financial affairs and the Directors' conduct, together with our lawyers, we have come to the conclusion that the Directors intention was to devise a scheme, effectively an informal prepack, whereby the business, goodwill and all the other assets of the Company would be transferred to a newco, Gemini Press Southern Limited ("GPS"). The creditors selected by GPS as crucial to their ongoing trade were paid in full, whilst other creditors of the Company, including the majority creditor, remained unpaid.
3. As a result of our findings, a letter of claim was despatched by our lawyers in September 2017 to all the directors, suggesting that they have caused, permitted or allowed the Company to enter into transactions in clear breach of their fiduciary duties owed to the Company.
4. The lawyers representing the directors responded to our letter of claim in November 2017. Needless to say, whilst disputing some of the allegations, they have requested us to consider alternative dispute mechanisms as a method of resolving the issues outlined

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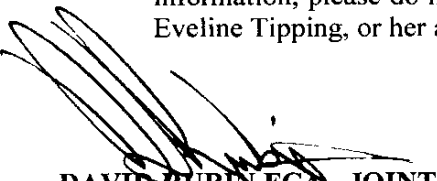
in our letter of claim. Following internal meetings with our lawyers, we agreed to attend a Mediation on 10 July 2018.

5. I am pleased to report that at the Mediation a Settlement Agreement was reached whereby the Directors on a joint and several basis agreed to pay the total sum of £350,000 to the Liquidators over a period of 6 months in full and final settlement of the matter. This has now been received in full.

(J) Next report

I am required to provide a further report on the progress of the liquidation within two months of the end of the next anniversary of the liquidation, unless I have concluded matters prior to that, in which case I will write to all creditors with my Final Account which will conclude my administration of the Liquidation.

I trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact in the first instance either my Senior Manager, Eveline Tipping, or her assistant, Shanice Kearns at this office.



DAVID RUBIN FCA - JOINT LIQUIDATOR

DATE:

8/1/20

SHELFCO 1234 LIMITED
(FORMERLY GEMINI PRESS LIMITED) - IN LIQUIDATION
JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT
FROM 16 APRIL 2015 TO 14 NOVEMBER 2019

	<u>Realised</u> <u>to-date</u> £	<u>Y/E</u> <u>14-Nov-19</u> £
<u>Balance brought forward</u>		85,383.40
<u>Receipts</u>		
Cash at bank	90.36	-
Investments	17,812.80	-
Sundry receipts	1.98	-
Settlement proceeds	365,000.00	225,000.00
Refund and recovery	382.03	-
Bank interest	419.39	400.84
	<u>383,706.56</u>	<u>310,784.24</u>
<u>Payments</u>		
Statement of affairs fee	5,000.00	-
Specific bond	683.70	616.20
Statutory advertising	435.28	181.48
Professional fees	17,190.00	14,040.00
Postage costs	31.93	-
Corporation tax	2.00	-
Legal fees	43,411.50	29,200.00
Legal Disbursements	3,941.82	3,941.82
Liquidators remuneration		
<i>Begbies Traynor</i>	35,205.59	15,000.00
<i>David Rubin & Partners</i>	50,400.00	35,400.00
<i>Buchler Philips</i>	42,600.00	27,600.00
	<u>198,901.82</u>	<u>125,979.50</u>
<u>Receipts less payments</u>	184,804.74	<u>184,804.74</u>
Less: DISTRIBUTIONS		
1st interim distribution declared on 26 July 2019		
	25p in the £	
Trade and expense	99,851.31	
Inter-company loans	22,750.00	
HM Revenue & Customs	963 23	
	<u>(123,564.54)</u>	
<u>Balance in hand</u>	<u>61,240.20</u>	
<u>Represented by:-</u>		
Balance at bank	60,822.70	
VAT Control Account	417 50	
	<u>61,240.20</u>	