

**Gunship Limited
("the Company") – In Liquidation**

**Joint Liquidators' First Progress Report
for the Year from Appointment on
12 April 2013 to 11 April 2014**

Issued on: 7 May 2014



Gunship Limited ("the Company") – In Liquidation

JOINT LIQUIDATORS' FIRST PROGRESS REPORT

Alexander Kinninmonth and Duncan Robert Beat are the Joint Liquidators of the Company and this is their first progress report, to the creditors and members of the Company showing how the liquidation has been conducted. The report covers the period from 12 April 2013 to 11 April 2014.

Please note that RSM Tenon Limited (which has changed its name to Baker Tilly Business Services Limited) has been acquired by Baker Tilly UK Holdings Limited and all future communications will be conducted under the Baker Tilly name.

1. Statutory Information

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

2. Joint Liquidators' Receipts and Payments Account

A summary of the Joint Liquidators' receipts and payments account relating to the Company from commencement to date is attached at **Appendix II**.

3. Action taken by the Joint Liquidators since Appointment

A Winding Up Order was made on 19 March 2013 in the Portsmouth County Court. Alexander Kinninmonth and Duncan Robert Beat were appointed Joint Liquidators by the Secretary of State on 12 April 2014.

Leasehold Properties

The Company owns various residential leasehold properties, the lease terms of which are typically 999 years. All of these properties have been sublet for a period of 99 years or more and the Joint Liquidators are in the process of investigating whether these properties hold any realisable value.

The Joint Liquidators have taken general advice and due to the legal costs associated with marketing and selling the leases, none of the leasehold properties which have been evaluated to date would be economical to sell and it is therefore the Joint Liquidators' intention to disclaim those leases.

It is not anticipated that any of the leases will hold any realisable value and it is likely that all such leases will be disclaimed.

Lease & Service charges

The Joint Liquidators have been made aware of various tenants who owe service charges and ground rents to the Company. However, the collection of those debts would infer landlords' responsibilities upon the Joint Liquidators and due to the uncertain condition of the properties the Joint Liquidators have decided not to pursue these amounts.

Despite not pursuing the debts, the sum of £4,708.38 has been received in settlement of outstanding lease and service charges following the private sale of one of the under-leases.

Cash at Bank

The sum of £332.23 has been received in respect of the credit balance held in the Company's bank account.

Cash held by third party

The sum of £522 25 has been received from the Company's solicitors

Petitioners Costs

The petitioning creditor has been paid the sum of £1,000 as a part payment of their petitioning costs

4 Future Actions of the Joint Liquidators

The Joint Liquidators will conclude an evaluation of the remaining leases and will continue to disclaim any leases which are established to be of no realisable value. The case will not be considered for closure until this process has been fully completed

5 Liabilities and Dividends

It does not appear likely that there will be sufficient realisations to enable a distribution to be made to any class of creditor

6. Joint Liquidators' Remuneration, Disbursements and Expenses

Basis of remuneration and disbursements

At a meeting of creditors held on 14 June 2013 it was resolved that the Joint Liquidators would be remunerated by reference to the time properly spent in dealing with matters in the liquidation and that their disbursements would be drawn in accordance with the tariff outlined in **Appendix III**

Remuneration charged and drawn in the period

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

	Incurred	Paid
For the period from appointment 12 April 2013 to 11 April 2014	£23,330 62	£0 00

As no fees have been drawn, no analysis of these time costs has been prepared

Disbursements incurred and drawn

The Joint Liquidators' disbursements incurred and reimbursed are summarised below. Details are in the attached **Appendix III**.

	Incurred	Paid
Category 1 disbursements from 12 April 2013 to 11 April 2014	£1,179 08	£0 00
Category 2 disbursements from 12 April 2013 to 11 April 2014	£3 50	£0 00
Total	£1,182 58	£0 00

Expenses (professional advisors) charged and drawn in the period

The following professional advisors have been instructed in this matter

<i>Professional Advisor</i>	<i>Nature of Work</i>	<i>Fee Arrangement</i>
Wannops LLP	Provision of Company information	Time costs

The choice of professionals and the Joint Liquidators' fee arrangement with them was based on perception of their experience and ability to perform this type of work together with the complexity and nature of the assignment

Details of the costs incurred and paid by the Joint Liquidators in relation to liquidation expenses for the period are attached at **Appendix III**

Creditors' Guide to Fees and Statement of Creditors' Rights

Creditors have a right to request further information from the Joint Liquidators and additionally have a right to challenge the Joint Liquidators' remuneration and expenses time limits apply Details can be found in the document 'A Creditor's Guide to Liquidators' Fees' which can be accessed at the website of the Insolvency Practitioners' Association (www.insolvency-practitioners.org.uk > Regulation and Guidance" > Creditors Guides to Fees), or the Institute of Chartered Accountants in England & Wales (www.icaew.com > Technical Resources > Insolvency > Creditors' Guides) Alternatively a copy is available free of charge upon request from the address above

7. Conclusion of the liquidation

The liquidation will not be reviewed for closure until the matters detailed in section 3 have been completed



Alexander Kinninmonth
Baker Tilly Business Services Limited
Joint Liquidator

Licensed in the United Kingdom to act as an insolvency practitioner by the Association of Chartered Certified Accountants

Company Information

Company Name	Gunship Limited
Previous Name	Not Applicable
Company Number	04326185
Date of Incorporation	21 November 2001
Trading Address	Parkway, Fareham, Hampshire, PO15 7FJ
Current Registered Office	Highfield Court, Tollgate Chandlers Ford, Eastleigh, Hampshire SO53 3TZ
Former Registered Office	Parkway, Fareham, Hampshire, PO15 7FJ
Principal Trading Activity	Property Management

Appointment Details

Joint Liquidators' name and address	Alexander Kinninmonth of Baker Tilly Business Services Limited, Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire, SO53 3TZ
and	Duncan Robert Beat of Baker Tilly Business Services Limited Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire, SO53 3TZ
Commencement of liquidation	19 March 2013
Court	Portsmouth County Court number 19 of 2013
Date of appointment	12 April 2013
Appointment made by	Secretary of State

The Joint Liquidators act jointly and severally

RSM Tenon Limited (which has changed its name to Baker Tilly Business Services Limited) has been acquired by Baker Tilly UK Holdings Limited and all communications are now conducted under the Baker Tilly name

Appendix II

Receipts and Payments Account

NOTES TO THE LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

- 1 This account of receipts and payments should be read in conjunction with the report to creditors dated 1 May 2014
- 2 The Company is not VAT registered and the figures shown are inclusive of VAT
- 3 Funds are held in an interest bearing account with the Insolvency Service

Gunship Limited
(In Liquidation)
Liquidators' Abstract of Receipts & Payments
To 11/04/2014

S of A £	£	£
ASSET REALISATIONS		
Lease & Service Charges	4,708 38	
Petition Deposit	1,165 00	
Cash at Bank	332 23	
ISA Interest	3 21	
Cash held by third party	522 25	
		6,731 07
COST OF REALISATIONS		
O R fees & expenses	2,235 00	
DTI Cheque Fees	2 20	
Sec of State Fees	2,566 58	
Petitioners Costs	1,000 00	
Legal Fees	210 00	
Statutory Advertising	90 00	
Bank Charges	88 00	
Tax Deducted at Source	0 64	
		(6,192 42)
		538 65
REPRESENTED BY		
Interest Bearing ISA Account		538 65
		538 65

Note

Appendix III

Information relating to the Joint Liquidators' Fees and Expenses

1. Explanation of Liquidator's charging and disbursement recovery policies

1.1 Time recording

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

	£
Partner and Director	350 – 435
Associate Director, Manager and Supervisor	235 – 310
Other Senior Professionals	130 – 195
Administration Staff	105

1.2 Disbursement recovery

Disbursements are categorised as either Category 1 or Category 2

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by Baker Tilly and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case, (including business mileage up to HMRC approved rate for cases commenced before 1 November 2011). Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Category 2 disbursements include elements of shared or allocated costs incurred by Baker Tilly and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of Category 2 disbursements are photocopying, all business mileage (for cases commencing on or after 1 November 2011), internal room hire and internal storage. The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.

The current levels of disbursements recovered by Baker Tilly are as follows

Disbursement charge	Rate
Company searches (RSM Tenon Tracker)	£10 per case
File set up	£7 per file
Photocopying, scanning and faxes	10p per side of paper
Mileage	45p per mile
Room hire (internal) - London	£150 per hour
Room hire (internal) - outside London	£100 per hour
Reports to creditors and members - posted	50p per report
Reports to creditors and members - published on line	25p per report

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

2 Time and charge out summary

For the period from 12 April 2013 to 11 April 2014, a total of 106.8 hours have been spent at an average charge out rate of £218.45 bringing the cost for the period to £23,330.62. Due to the lack of realisations, no fees have been drawn.

3 Disbursements

Disbursements incurred and reimbursed during the period of this report and cumulatively are detailed below

Disbursements	This period	
	Incurred £	Paid £
<i>Category 1</i>		
Statutory advertising	150.00	0.00
Land Registry fees	906.00	0.00
Bond premium	120.00	0.00
Postage	3.08	0.00
Total	1,179.08	0.00
<i>Category 2</i>		
Reports	3.50	0.00
Total	3.50	0.00

The above costs exclude VAT

4 Professional advisors and expenses

The Joint Liquidators have incurred liquidation expenses in connection with the instruction of the following parties

Name & Activity	This period	
	Incurred £	Paid £
Wannops LLP	210.00	210.00
- provision of information		
Total	210.00	210.00

The above costs include VAT