

The Insolvency Act 1986

**Administrator's progress report**

Name of Company
Informer Publishing Limited t/a The Informer

Company number
05215713

In the Southampton County Court <small>(full name of court)</small>
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Court case number 166 of 2013
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(a) Insert full name(s) and address(es) of administrator(s)

I/We (a)  
Michael Ian Field  
Portland Business & Financial Solutions  
Eagle Point  
Little Park Farm Road  
Segensworth  
Fareham  
Hampshire  
PO15 5TD

Carl Derek Faulds  
Portland Business & Financial Solutions  
Eagle Point  
Little Park Farm Road  
Segensworth  
Fareham  
Hampshire  
PO15 5TD

administrators of the above company attach a progress report for the period

(b) Insert date

From
(b) 4th July 2013

To
(b) 3rd January 2014

Signed

  
 Joint Administrator

Dated

19<sup>th</sup> February 2014**Contact Details:**

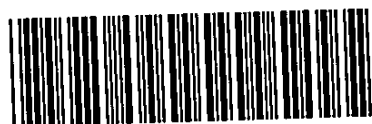
You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to searchers of the public record

Michael Ian Field  
Portland Business & Financial Solutions  
Eagle Point  
Little Park Farm Road  
Segensworth  
Fareham  
Hampshire  
PO15 5TD  
DX Number post@portbfs.co.uk

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THURSDAY



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20/02/2014

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COMPANIES HOUSE

When you have completed and signed this form, please send it to the Registrar of Companies at -  
**Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff**



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## TO THE CREDITORS

MIF/CF/SIG/GC/JK/AJ/I7738

18<sup>th</sup> February 2014

### Six monthly progress report to creditors

#### Informer Publishing Limited t/a The Informer in administration

We have recently passed the six month period since the date of our appointment as joint administrators on 4th July 2013. We are therefore providing you with a report on the progress of the winding-up.

We enclose statutory details of our appointment.

#### Progress to date in realising assets

We enclose a summary of our receipts and payments during the six months. We have provided comparisons of the realisations with our statement of affairs, set out in our proposals, which we hope you will find helpful.

As reported in our proposals, the business of the company was sold to Solent Life for £36k shortly after the date of our appointment, on 16<sup>th</sup> July 2013.

Under the terms of the sale, Solent Life were required to pay an upfront payment of £15k with deferred payments of £7.5k, £7.5k and £6k payable on 3<sup>rd</sup> September, 15<sup>th</sup> October and 28<sup>th</sup> November respectively. We have received all payments in line with the payment schedule.

We explained in our proposals that the administration strategy was to complete and distribute the July publication of the magazine. This strategy would maximise the funds available in the administration by protecting the advertising sales in June 2013, totalling around £35k. As explained in more detail in our proposals we arranged for the continuation of supplies to the administration, engaged former employees of the company, entered into negotiations with two firms of printers and secured the services of the distributors of the magazine.



The distribution of the magazine was successful. Coupled with the outstanding invoices from previous publications the company's debtor ledger was increased to £65k

We retained the services of the director of the company, Nick Ralls, to assist us with the debtor collection. There was a significant number of debtors with low balances owing and we agreed a 10% collection fee.

To date we have successfully collected £49k from the debtor ledger. Once Mr Ralls felt that his efforts had been exhausted we took back the debtor collection with approximately £15k outstanding. These debtors appear to be a mixture of bad payers and debtors who dispute that they placed the advertisements. We are currently reviewing the strategy to be used on each individual debt as the company had limited records to support the orders being placed. Some of the debts may also not be cost effective to collect due to the low amounts involved.

Book debts collected in the period immediately prior to our appointment were held in our client account and this has been transferred into the administration. The cash held in the company's bank account was also transferred into the administration. This however, was for less than anticipated due to a transfer of £1.5k by the director to our client account the day before our appointment which was not taken into consideration.

We have received a small amount interest on the balances held.

### Investigation

In our first report and our proposals we invited creditors to bring to our attention any matters that they believe require further investigation. We have also conducted an investigation into the affairs of the company in order to identify matters that would lead to a cost effective recovery for creditors. We have concluded that there are no matters of concern that merit pursuing.

In addition, a report has been submitted to The Insolvency Service as required under the provisions of the Company Directors Disqualification Act 1986.

### Creditors' claims and dividends

A summary of the position regarding creditors' claims is set out below -

	Creditor totals			Dividend totals	
	Statement of affairs £	Claims received £	Claims agreed £	Paid to date £	%
Secured claims	6,500	6,564	6,564	6,564	100
Preferential claims	11,249	Nil	See note	--	--
Unsecured creditors	358,406	309,659	See note	--	--

We comment further as follows -

- Karen Ralls held a debenture conferring fixed and floating charges over the assets of the company dated 28<sup>th</sup> April 2011 to support a loan to the company. We confirmed that the charge is valid and have paid the amount due to her in full from the proceeds of the sale of goodwill which is caught by the fixed charge.
- We assisted the nine employees that were dismissed as part of the administration process to submit claims to the Redundancy Payments Office ('RPO') in order to receive their guaranteed entitlements. Some employees have residual claims that exceed the RPO limits. We have liaised with the RPO and various employees to calculate the consequent preferential and unsecured claims in the administration. We anticipate that there should be sufficient funds to enable a return to the preferential creditors but the amount of the distribution will depend on the level of realisations from the outstanding book debts going forward.
- As administrators we do not have the power to distribute funds to unsecured creditors. If funds become available, the subsequently appointed liquidator will have the power to agree claims and pay a dividend. We have limited our role to responding to creditor correspondence in a basic manner and where requested, we are confirming balances for audit or insurance purposes.

**Our projection of the next dividend and likely timescale is as follows:-**

	Next dividend		Projected total dividend %
	Amount %	Projected date	
Secured claims	N/A	Full dividend already paid	100
Preferential claims	80 - 100	Within four months	80 - 100
Unsecured claims	Uncertain	To be paid in liquidation, if applicable	Uncertain

#### **Administrators' fees, disbursements and expenses**

At the first meeting of creditors held on 10<sup>th</sup> September 2013 it was agreed that we be authorised to draw our remuneration based on our time costs.

We are required to provide creditors with details relating to those time costs and the disbursements that we have incurred since our last report to creditors and to date in the administration. This is analysed on the attached schedule, along with a schedule of our current charge-out rates and disbursements policy, and the totals are summarised below.

	Since last report (proposals dated 22/08/2013) (£)	Administration total (£)
Time costs	20,572	55,965
Average hourly rate	128	142
Fees drawn	45,000	45,000

In the attached analysis, we have recorded time in the following categories of work that we have handled -

- **Asset realisations** – Taking appropriate measures to realise the assets of the company, as more fully explained under the heading “Progress to date in realising assets”
- **Administration and planning** - internal management of the case to ensure it is completed in an expedient manner and in accordance with good practice Maintaining the distribution and preparation of proposals, estate accounts and ensuring compliance and statutory filing requirements
- **Reporting** - communicating with creditors about the initial appointment, preparing and distributing the administrators’ proposals and reporting to creditors on the outcome of the meeting of creditors
- **Investigation** - carrying out a review of the events leading up to failure and completing the CDDA reports, which is explained in more detail under the heading of “Investigation” above
- **Creditors’ claims** – Corresponding with creditors about their claims, as more fully described under the ‘Creditor claims and dividends’ above
- **Trading** – Undertaking the completion and circulation of the July 2013 publication of the magazine as more fully described elsewhere in the report under the heading “progress to date in realising assets”

We have also instructed agents to handle certain aspects of the administration on our behalf where it was either more cost-effective for them to do so or where they have a particular expertise that was required. A summary of the name of agents, the work handled, the basis of the fees paid and the amounts paid and accrued is given below

Name and profession	Nature of work handled	Basis of fees paid	Paid and accrued to date (+) £
Coffin Mew Solicitors	Debenture validation Business sale agreement	Time cost	1,500
Nick Ralls (Director)	Debtor collection fees	10% of collections	2,790

We have drawn a fee of £5k, as approved by a resolution in our proposals for the services of Portland in the period leading up to our appointment

#### **Anticipated timescale for completion of the winding-up**

At this juncture we are unable to estimate the likely timescale or quantum of any further dividend to creditors, but the administration will come to an end in any event after twelve months. If at this time there are matters outstanding we will look to obtain an extension to the administration. If there are funds available to make a distribution to the unsecured creditors the administration will move to liquidation. Prior to that, we need to complete the debtor collection upon which we have commented in this report.

We hope that the contents of this report have provided you with a clear and detailed explanation of the conduct of the administration. If you should have any queries or require further explanation please do not hesitate to contact us.

Mike Field  
Joint Administrator

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Within twenty-one days of receipt of this progress report, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors may make a written request for further information in relation to the report, including information about the administrators' remuneration or expenses. If a creditor believes that this remuneration is excessive, the basis is inappropriate, or the expenses incurred by the administrators are excessive, the creditor may, provided certain conditions are met, apply to court within eight weeks of receiving the progress report to challenge these.

Further information regarding administrators' fees can be found by visiting the following website link:

<http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>

**Attached**

- Statutory information
- Summary of receipts and payments
- SIP 9 time analysis (period)
- SIP 9 time analysis (total)
- Schedule of charge out rates

## **Informer Publishing Limited t/a The Informer in administration**

This section provides background information about the company, the events leading up to the administration appointment and the conduct of the administration

### **Statutory company information**

#### **Details of the court and the reference number**

<b>Supervising court</b>	Southampton County Court	<b>Court reference number</b>	166 of 2013
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#### **Details of the company**

<b>Full registered name</b>	Informer Publishing Limited t/a The Informer	<b>Registered number</b>	05215713
<b>Registered office</b>	Eagle Point Little Park Farm Road Segensworth, Fareham Hampshire PO15 5TD	<b>Former trading address</b>	25 Station Road Park Gate Southampton Hampshire SO31 7GJ

#### **Details about the administration appointment**

<b>Name of administrators and licensing bodies</b>	Michael Ian Field	Insolvency Practitioners Association	
	Carl Derek Faulds	Insolvency Practitioners Association	
<b>Date of appointment</b>	4th July 2013	<b>Appointer</b>	The directors of the company
<b>Administrators' address</b>	Eagle Point, Little Park Farm Road, Segensworth, Fareham, Hampshire, PO15 5TD		
<b>Allocation of administrators' powers</b>	All the powers and functions of an administrator are exercisable by either or both of the appointed administrators		

#### **Details of the administration proposals**

<b>Date of original proposals</b>	22nd August 2013	<b>Details of any subsequent amendments</b>	None
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**Informer Publishing Limited**  
(in administration)

**Joint Administrators' receipts and payments account**

	Director's statement of affairs £	Administrators' estimated outcome £	From 04/07/2013 to 03/01/2014 £
<b>RECEIPTS</b>			
Goodwill - sale of the business	36,000	36,000	36,000 00
July publication invoicing	65,000	30,000	49,032 41
Book debts from previous publications	-	35,000	16,097 47
Cash in client account	-	16,097	468 79
Cash at bank	2,100	2,100	42 98
Bank interest	-	-	
	<u>103,100</u>	<u>119,197</u>	<u>101,641 65</u>
<b>PAYMENTS</b>			
Cost to complete the July publication			
Sub contract services			4,467 50
Heat & light			107 66
Telephone			29 67
Insurance			280 90
Printing costs			7,000 00
Distribution costs			6,406 19
Specific bond			180 00
Postal redirection			120 00
Affidavit fee			10 00
Court filing fee			35 00
Report uploading			5 00
Travel expenses			2 70
Statutory advertising			145 00
Legal fees			1,500 00
Debt collection fees			2,790 15
Pre appointment fee			5,000 00
Administrators' fees			45,000 00
Administrators' expenses			318 27
Payments to creditors -			
Payment to the secured creditor under the fixed charge - in full			6,564 00
			<u>79,962 04</u>
<b>Balance in hand</b>			
Bank			11,219 49
Vat receivable			10,460 12
			<u>101,641 65</u>

**Informer Publishing Limited in administration**

**SIP9 Time and cost summary**

From 4th July 2013 To 3rd January 2014

Classification of work function	Partner	Manager	Other senior professionals	Assistants and support staff	Total hours	Time cost (£)	Average hourly rate (£)
Administration and planning	0 20	9 20	46 60	1 20	57 20	6,744 00	117 90
Creditors	1 20	13 60	80 50	5 90	101 20	11,720 50	115 82
Investigations	1 00	2 20	13 40	-	16 60	2,112 00	127 23
Realisation of assets	17 10	65 80	91 30	9 60	183 80	28,969 00	157 61
Reporting	3 70	18 50	8 80	-	31 00	5,912 00	190 71
Trading	0 70	-	2 90	-	3 60	507 00	140 83
<b>Total Hours</b>	<b>23.90</b>	<b>109.30</b>	<b>243.50</b>	<b>16 70</b>	<b>393.40</b>	<b>55,964.50</b>	<b>142.26</b>
<b>Total Fees Claimed</b>						<b>45,000.00</b>	

Category 2 Disbursements	Total accrued £	Total paid £
Postage and stationery	229 29	214 02
Photocopying	25 00	20 50
Mileage	51 75	51 75
Room hire	120 00	-
Storage (Portland archive)	37 50	-
Facsimile	8 00	6 00
Company searches	32 00	26 00
	<b>503.54</b>	<b>318.27</b>

**Informer Publishing Limited in administration**

**SIP9 Time and cost summary**

From 22nd August 2013 To 3rd January 2014

Classification of work function	Partner	Manager	Other senior professionals	Assistants and support staff	Total hours	Time cost (£)	Average hourly rate (£)
Administration and planning	0 20	3 00	5 20	0 50	8 90	1,249 50	140 39
Creditors	1 20	7 80	45 10	2 70	56 80	6,722 50	118 35
Investigations	1 00	2 20	13 40	-	16 60	2,112 00	127 23
Realisation of assets	1 40	15 20	43 80	4 30	64 70	8,328 50	128 72
Reporting	-	7 00	6 70	-	13 70	2,140 00	156 20
Trading	-	-	0 20	-	0 20	20 00	100 00
<b>Total Hours</b>	<b>3.80</b>	<b>35.20</b>	<b>114.40</b>	<b>7.50</b>	<b>160.90</b>	<b>20,572.50</b>	<b>127.86</b>
<b>Total Fees Claimed</b>						<b>45,000.00</b>	

Category 2 Disbursements	Accrued in period £	Paid in period £	Total accrued £	Total paid £
Postage and stationery	124 47	109 20	229 29	214 02
Photocopying	23 40	18 90	25 00	20 50
Mileage	9 45	9 45	51 75	51 75
Room hire	120 00	-	120 00	-
Storage (Portland archive)	37 50	-	37 50	-
Facsimile	2 00	-	8 00	6 00
Company searches	16 00	10 00	32 00	26 00
	<b>332.82</b>	<b>147 55</b>	<b>503.54</b>	<b>318.27</b>

## **Portland Business & Financial Solutions**

### **Fees and disbursements policies**

#### **Fee policy**

In line with most practices, we normally calculate our fees on the basis of the time spent by each member of staff. We are prepared to calculate fees as a percentage of realisations or as a fixed fee by special arrangement only where the circumstances warrant it. Where the assignment relates to an insolvency appointment, we are normally required to obtain a resolution from creditors approving the basis of calculation.

Staff of the appropriate grades are allocated to each task on each assignment, according to the size and complexity of the matter, and they record their time in six minute units. Where the fee is to be calculated on the basis of time spent, cost rates for each grade are then used to evaluate the fee. The effectively hourly rates are currently as follows -

	<b>Cost per hour £</b>
Director	310
London Principal	310
Associate	310
Senior manager	250
Case manager	210
Case administrator	175
Administrator	100
Cashiers	100
Support staff	75

These rates apply with effect from 1<sup>st</sup> December 2011. They are reviewed periodically, typically every 1-2 years, and could therefore increase during any particular assignment.

#### **Disbursement policy**

Where expenses are incurred through third parties specifically in respect of the assignment, they are recharged to the case as incurred, for example statutory advertising, external room hire, fidelity bond, rail travel and external storage. These are defined as category 1 disbursements in SIP9 and approval is not required.

Other expenses can be recharged to the assignment based on a share or allocation of a cost that Portland incurs centrally. These are defined as category 2 disbursements in SIP 9 and approval is required. Typically such expenses and the method of allocation are as follows -

Postage and stationery	- Three times postage cost
Photocopying	- 10p per copy
Facsimile	- £1 per page
Mileage	- HM Revenue and Customs agreed rate
Room hire	- £120 per meeting
Storage (Portland archive)	- £50 per box per year
Company searches	- Two times cost