

# 2.24B

The Insolvency Act 1986

## Administrator's progress report

Name of Company

Press Gazette Limited

Company number

05466121

In the  
Chancery Division, Companies Court  
High Court of Justice

(full name of court)

Court case number  
8838 of 2006(a) Insert full  
name(s) and  
address(es) of  
administrator(s)I/Ave (a)  
Robert Preston James Allen  
Vantage  
Lower Ground Floor  
20/24 Kirby Street  
London  
EC1N 8TS

administrator(s) of the above company attach a progress report for the period

From

To

(b) Insert date

(b) 3 May 2009

(b) 2 November 2009

Signed

  
Joint Administrator(s)

Dated

26 November 2009

### 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

Robert Preston James Allen  
Vantage  
Lower Ground Floor  
20/24 Kirby Street  
London  
EC1N 8TS

DX Number

0845 22 55 801  
DX Exchange

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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COMPANIES HOUSE

WEDNESDAY

**IN THE MATTER OF THE INSOLVENCY ACT 1986  
AND  
IN THE MATTER OF  
PRESS GAZETTE LIMITED (IN ADMINISTRATION)**

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**ADMINISTRATOR'S PROGRESS REPORT TO CREDITORS  
PURSUANT TO RULE 2.47 OF THE INSOLVENCY RULES 1986  
(AS AMENDED)**

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**1. Introduction**

The Administrator refers creditors to his appointment as Administrator of Press Gazette Limited (the 'Company') on 3 November 2006 by the Court, on the application of the directors of the Company, pursuant to Paragraph 22(2) of Schedule B1 (the 'Schedule') to the Insolvency Act 1986 (the 'Act').

The Administrator hereby reports to creditors pursuant to Rule 2.47 of the Insolvency Rules 1986 (the 'Rules') on the progress of the administration for the period from 3 May 2009 to 2 November 2009. Form 2.24B is attached in this regard together with an abstract of the Administrator's receipts and payments to date.

For a fuller understanding of matters being addressed in this report creditors are asked to refer back to previous Progress Reports, to the Statement of Administrator's Proposals, pursuant to Paragraph 49 of the Schedule to the Act, and the subsequent Administrator's Report of the Result of the Meeting of Creditors. Creditors will recall that the Administrator's proposals were approved without modification. These documents provide a full history of the Company as well as all actions undertaken in the period since administration.

**2. Company and Administration Details**

Company Name:	Press Gazette Limited
Address of Registered Office:	20/24 Kirby Street, London EC1N 8TS <i>Formerly</i> 8 Mount Row, London, W1K 3SB
Registered Company Number:	05466121

**Administrator's Name:** Robert Preston James Allen  
**Administrator's Address:** Vantage  
Lower Ground Floor, 20/24 Kirby Street,  
London EC1N 8TS  
**Date of Appointment:** 3 November 2006  
**Name of Appointor:** Mr M Freud  
On behalf of the board of Directors of the  
Company  
**Address of Appointor:** c/o 8 Mount Row, London, W1K 3SB  
**Change of Office Holder:** No change  
**Extensions to the**  
**Initial Period of Appointment:** Extension 12 months by Court and will  
terminate on 2 May 2010

### **3. Progression of Administration**

#### **Asset Realisations**

##### **Sale to Wilmington, Subscription Creditors and Bank Account**

Creditors will recall that at the beginning of December 2006, a Sale Agreement was entered into with Wilmington Media Limited for certain assets of the Company. The full cash amount of £105,000 was received and all other issues relating to the sale have also now been concluded.

Under the terms of the Sale Agreement, the Administrator is obliged to continue to provide assistance to the Purchaser; in particular, the Company maintains its existing bank account. Whilst the original need for this is redundant, the account remained open until recently as some general payments from former clients continued to be received in error.

The arrangement has concluded and all parties attempting to make remittances to that account will have them returned. The vast majority of erroneous receipts have also been resolved and the balances paid over.

##### **Domain Names**

The issues pertaining to the transfer of domain names and other rights under the Sale Agreement have also been settled. There are some domains the Purchaser confirmed it has no interest in. Efforts have been made to realise these but without success and these are unlikely to be realised (as detailed later).

##### **Debt Collection**

The collection of the residual book debts of the Company is complete.

## **Administration Expenses**

### **General**

The trading expenses of the administration have been discharged in full and no other liabilities established. There are ongoing administrative issues.

### **Property**

All issues pertaining to and arising from the Company's former premises have now been resolved as far as the Administrator is aware.

### **Other issues**

The Administrator concluded his formal investigations into the affairs of the Company and did not identify any material issues to report or additional recoveries. There were also no further developments in the period.

## **4. Receipts and Payments**

Please find attached a copy of the abstract of the Administrator's receipts and payments account for the period from commencement of the administration on 3 November 2006 to date (02 November 2009) which is self-explanatory.

## **5. Assets that Remain to be Realised**

The Administrator is of the view that the realisation of assets is ostensibly complete having fully resolved, as mentioned above, the position on all matters relating to the Sale Agreement, the Property and Debtors and Trading Sales capable of being collected in the Administrator's view.

There were a few residual Domains which are potentially available for disposal but efforts have not yielded a sale and they are considered to have no value and will likely be abandoned. In any case, most have reverted to the open market for non-payment of the maintenance costs and not been re-purchased.

There also remain some intellectual property rights which to date have not been sold. Again, as for the residual Domains, It may be possible to dispose of these although efforts to date have proved fruitless and this is unlikely to alter.

The Administrator has not been able for legal and technical reasons to realise the generic software owned and licensed by the Company. Whilst this is not the case

for the non-generic software, it has not been possible to realise any value from this potential asset and has been abandoned.

The attempts to realise the benefit of insurance contracts proved unsuccessful and these have been written-off.

The furniture and computer equipment was not sold as part of the main Sale Agreement to Wilmington and sold separately. Most of this was collected from the Company but some of the more basic office furniture was left at the Company's former premises and which the purchaser decided it did not want in the end. It was uneconomic to remove these items from the premises to sale.

## **6. Creditors' Claims**

The Administrator is not aware of any qualifying floating charge being in existence and consequently there is no prescribed part for unsecured creditors pursuant to Section 176A of the Act.

The Company issued 10% Bond Stock Loan Notes totalling £550,000 in favour of one of the key stakeholders who asserted they created a secured position. The Administrator has rejected this assertion. The claimant has threatened legal action but this has not been progressed. The issue relating to the security remains unresolved and places in question the prospects of any dividend to any party other than the asserted secured claim.

At the current time, the outcome for creditors generally remains uncertain but it is not expected there will be a dividend paid to preferential creditors or unsecured creditors. The Redundancy Payments Fund will have prior entitlement to any preferential claim (on a subrogated rights basis and would be the only party affected.

There are unlikely to be any additional asset realisations. The costs of the Administration already incurred absorb realisations to date.

## **7. Administrator's Remuneration**

The creditors approved that the basis of the Administrator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Administration.

My time costs for the period from the date of appointment to the date of this report are £257,172. This represents 1,201 hours at an average rate of £214 per hour and attached is a Time Analysis which provides details of the activity costs incurred by staff grade to date in respect of the costs fixed by reference to time properly spent by me in managing the Administration.

To date, £36,000 has been drawn on account of costs. Category 1 disbursements have been drawn to the extent disclosed in the receipts and payments account. No Category 2 disbursements have been taken.

Vantage's Time Charge & Disbursements Policy providing details of my firm's current charge-out rates by staff grade and how disbursements are charged and recovered has already been provided to creditors. There has been no material change in charge-out rates since.

### **General**

In accordance with Paragraph 45 of the Schedule to the Act, notice is hereby given that the affairs, business and property of the Company (in administration) are being managed by the Administrator, Robert Preston James Allen, and in accordance with Paragraph 69 of the Schedule to the Act, the Administrator acts as agent of the Company and without personal liability.

If any creditor has any queries in relation to the above, please do not hesitate to contact the Administrator's office on 0845 22 55 801.

Dated this 26th day of November 2009



Robert Preston James Allen  
Administrator, Press Gazette Limited (in Administration)

Robert Allen is authorised to act as an Insolvency Practitioner by the Institute of  
Chartered Accountants in England and Wales.

**PRESS GAZETTE LIMITED**  
**In Administration**  
**Administrator's Receipts and Payments Account**  
**For the period 3rd November 2006 to 2nd November 2009**

<b>Receipts</b>	<b>£</b>
Book Debt Receipts	166,750
Sale of Assets	105,000
Royalties Received	17,046
Trading Receipt Subscriptions	9,295
Trading Receipts Newstand	24,833
Rent Prepayment Recovered	19,039
Trading Contribution from third party	35,000
Bank Interest	2,684
Computer Equipment	5,000
Furniture	1,500
VAT Payable	19,513
	<u>405,660</u>

<b>Payments</b>	
Salaries	58,429
Production Costs	41,904
Trading Contribution from third party	35,000
Sundry Expenses	4,190
Business Rates	10,751
Rent Service Charge	15,000
Legal Fees	47,076
Legal Disbursements	196
Administrators' Remuneration	36,000
Bank Charges	1,893
PAYE and National Insurance	12,439
VAT Paid	12,602
VAT Receivable	14,659
	<u>290,140</u>

**Excess Receipts over Payments**                      **115,519**

**Made up of:**

Balance at bank	<u>115,519</u>
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**PRESS GAZETTE LIMITED**  
**In Administration**  
**Administrator's Cumulative Time Analysis**  
**For the period 3rd November 2006 to 2nd November 2009**

Classification of work function	Hours					Time Cost £	Average hourly rate
	Partner	Principal Consultant	Administrator	Assistants & Support Staff	Total Hours		
Administration and planning	64.3	0.0	35.9	0.0	100.2	20,383.00	203.42
Investigation	39.5	0.0	0.0	0.0	39.5	9,875.00	250.00
Realisation of assets	220.0	22.5	0.0	0.0	242.5	58,375.00	240.72
Trading	372.1	150.0	0.0	0.0	522.1	115,525.00	221.26
Creditors	130.0	15.0	152.2	0.0	297.2	53,014.00	178.37
Case Specific matters (specify)	0.0	0.0	0.0	0.0	0.0	0.00	0.00
Total Hours	825.9	187.5	188.1	0.0	1,201.5		
Total fees claimed (£)	206,475.00	28,125.00	22,572.00	0.00		257,172.00	214.04