

# Liquidator's Progress Report

# S.192

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

To the Registrar of Companies

Company Number

00198678

Name of Company

Gravure Properties Limited

I / We

Alistair Wardell  
11/13 Penhill Road  
Cardiff  
South Glamorgan  
CF11 9UP

Daniel R W Smith  
30 Finsbury Square  
London  
EC2P 2YU

the liquidator(s) of the company attach a copy of my/our Progress Report  
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 20/07/2012 to 19/07/2013

Signed



Date

18/9/13

Grant Thornton UK LLP  
11/13 Penhill Road  
Cardiff  
South Glamorgan  
CF11 9UP

Ref C00743EU/AGW/ZLC/KLM/TXA

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COMPANIES HOUSE



# Grant Thornton

Our Ref AGW/ZLC/KLM/TXA/C00743DL/

To the creditors and members

17 September 2013

Dear Sirs

#### Recovery and Reorganisation

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## **CPC Bristol Limited (Bristol), CPC Kings Lynn Limited (KL), CPC Stroud Limited (Stroud) and Gravure Properties Limited (Gravure) - All In Liquidation (together the Group)**

### **1 Introduction**

- 1.1 Following my appointment as joint liquidator of the above Group with Daniel Smith on 20 July 2011 in accordance with section 104A of the Insolvency Act 1986, I now report on the progress of the liquidations for the year ended 19 July 2013 and attach
- Appendix A, an account of our receipts and payments for the year ended 19 July 2013 and also for the whole liquidations to date
  - Appendix B, a statement of the remuneration charged by the joint liquidators in the period 20 July 2012 to 19 July 2013 and a statement of expenses incurred in the period
  - Appendix C, an analysis of time costs as required by Statement of Insolvency Practice 9
  - Appendix D, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the liquidator (rule 4.49E)
  - Appendix E, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the liquidator's remuneration or expenses if excessive (rule 4.131)
- 1.2 Please note that we are both authorised by the Insolvency Practitioners Association to act as insolvency practitioners

### **2 Statutory information**

- 2.1 The Group's statutory details are as follows

#### **Registered Numbers**

CPC Bristol Limited	02286578
CPC Kings Lynn Limited	00067404
CPC Stroud Limited	00102852
Gravure Properties Limited	00198678

#### **Registered Office**

Grant Thornton UK LLP, Hartwell House,  
55-61 Victoria Street, Bristol, BS1 6FT

#### Chartered Accountants

Member firm within Grant Thornton International Ltd

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales. No. OC307742. Registered office: Grant Thornton House, Melton Street, Euston Square, London NW1 2EP. A list of members is available from our registered office.

Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority.

A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address.

### **3 Progress report**

- 3.1 The parent company of the Group, CPC Packaging (UK) Limited (Packaging) converted to Creditors Voluntary Liquidation on 6 February 2012. As such the company is not part of this annual report, but as part of the overall Group has been included where necessary to provide a better understanding to the creditors.
- 3.2 As previously reported the Royal Bank of Scotland (the Bank) hold security and cross guarantees between all the Group companies excluding Gravure. As the assets in each of the Group companies were realised the Bank was repaid in full from the first realisations available. As a result some Group companies repaid the Bank debt owed from other Group companies.
- 3.3 On 30 November 2011 the freehold property owned by Packaging was sold for £577,000.
- 3.4 As Packaging had no funds to pay on-going property costs prior to the sale, these were paid by KL. Over the period from 25 August 2010 to 30 November 2011 KL paid £138,328 in property holding costs (including security, unoccupied property insurance premiums and utilities). Packaging has since reimbursed KL for these costs.
- 3.5 Following the sale of the freehold property, it was necessary to carry out a marshalling exercise to ensure that creditors in each company would receive a distribution that they were properly entitled to. The exercise,
- confirmed the level of Bank indebtedness in each of the group companies as at 25 August 2010,
  - determined the level of Bank debt that should have been repaid by each of the group companies,
  - allocated trading sales receipts and debtor receipts across each the group companies,
  - allocated property expenses against the relevant group companies,
  - determined the level of inter-company indebtedness, and
  - reviewed the detail of the security held over the group companies and registered at Companies House by third parties.
- 3.6 This marshalling exercise is now complete and funds have been transferred between the Group companies to correctly reflect the funds available for distribution to the creditors of each company.

#### **Assets**

##### **Book Debts**

- 3.7 Book debts totalling c£681,564 in Bristol and c£725,700 in KL remain outstanding. Both amounts are outstanding from one debtor.
- 3.8 Clarke Willmott LLP (CW) was originally instructed to pursue the debts, however, CW has since been replaced by DJM Solicitors (DJM). DJM subsequently instructed Counsel to review the position and establish the collection options available.

- 3 9 Where debts are irrecoverable I will submit a VAT bad debt relief claim to HM Revenue & Customs on behalf of each company in the Group if I am able to demonstrate that such VAT has been paid over to HM Revenue & Customs

### **Liabilities**

#### **Secured Creditors**

- 3 10 As reported above, the Bank hold a debenture dated 31 January 2005. In addition to its security the Bank holds cross guarantees across the companies in the Group excluding Gravure
- 3 11 RBS Invoice Finance (RBSIF) also hold a debenture dated 30 July 2008 in respect of the debtor ledger
- 3 12 Both charge holders have been paid in full

#### **Preferential Creditors**

- 3 13 Preferential claims totalling £61,848 in Bristol and £114,784 in KL have been paid in full
- 3 14 There are no preferential claims in Stroud and Gravure

#### **Unsecured Creditors**

- 3 15 Due to the ongoing litigation and outstanding VAT issues, the quantum and timing of any dividend currently available in Bristol and KL is currently unknown
- 3 16 A dividend will be available in Gravure to the unsecured creditors. Although there are no known trade creditors in the company there is a joint and several liability to HM Revenue & Customs in respect of VAT under the pre-administration Group VAT registration with Bristol and Stroud of £254,197
- 3 17 There are insufficient funds available to enable a distribution to the creditors of Stroud

### **4 Joint liquidators' remuneration and expenses**

- 4 1 Resolutions were passed approving the basis of the joint administrators' remuneration to be on a time costs basis at reduced hourly rates for each of the group companies at creditors meetings held as follows,
- 2 November 2010 for Bristol and KL Limited
  - 13 April 2011 for Stroud and Gravure
- 4 2 Pursuant to rule 4 127(5A) of the Insolvency Rules 1986, this basis applies also in the liquidations

- 4 3 You will note from the SIP 9 tables attached at Appendix C that our time costs to date are as follows,

	Time Costs to Date	Fees drawn
Company	£	£
Bristol	103,091	75,301
KL	100,263	80,909
Stroud	19,316	14,323
Gravure	27,999	21,005

- 4 4 Time costs incurred in the period but not drawn as remuneration to date are disclosed in Appendix B
- 4 5 Time is charged in units of 6 minutes Background information regarding the fees of liquidators can be found at [http //www insolvency-practitioners org uk](http://www.insolvency-practitioners.org.uk) (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees') Alternatively I will supply this information by post on request
- 4 6 The liquidators charge out of pocket expenses at cost Mileage is charged at standard rates which comply with HM Revenue & Customs limits or AA recommended rates VAT is added to disbursement charges as necessary
- 4 7 In addition, we have drawn the following expenses as indicated in Appendix A and have further expenses to take in due course as set out in Appendix B
- Bristol - £3,218
  - KL - £3,092
  - Stroud - £1,082

## **5 Other expenses incurred by the joint liquidators**

- 5 1 CW has received fees of £3,218 and £3,414 relating to debtor collections and employee advice from Bristol and KL respectively
- 5 2 Insurance Fees of £625 have been paid to JLT Specialty Limited from CPC Bristol Limited
- 5 3 Corporation tax of £21,424 has been paid from Gravure Properties Limited

## **6 Conclusion**

- 6.1 Once the potential debtor funds are realised, the claim for VVI bad debt relief can be submitted and all unsecured claims are agreed, I will be in a position to distribute the final dividends to creditors and convene a final meeting in order to cease to act as joint liquidator.

Yours faithfully

for and on behalf of CPC Bristol Limited, CPC Kings Lynn Limited,  
CPC Stroud Limited and Grivure Properties Limited



Daniel Smith  
Joint Liquidator

Enc

Gravure Properties Limited - in liquidation  
 Summary of receipts and payments  
 from 20 July 2011 to 19 July 2013

	From 20-Jul-11 to 19-Jul-12 £	From 20-Jul-12 to 19-Jul-13 £	Total £
<b>Receipts</b>			
Admin/Receivers Surplus	171,816 26	0 00	171,816 26
Bank/ISA InterestGross	19 38	1,053 14	1,072 52
VAT Receivable Trsf from Admin	18,219 81	0 00	18,219 81
Vat Control Account	2,368 20	0 00	2,368 20
	<u>192,423.65</u>	<u>1,053 14</u>	<u>193,476 79</u>
<b>Payments</b>			
VAT repayment	70 88	0 00	70 88
DTI Cheque Fees	3 60	0 90	4 50
ISA Account Fees	92 00	100 00	192 00
Administrators Fees	8,940 50	0 00	8,940 50
Liquidators Fees	6,862 25	14,142 75	21,005 00
Corporation Tax	3 15	21,424 49	21,427 64
Statutory Advertising	76 50	0 00	76 50
Other Property Expenses	135 00	0 00	135 00
Tax on Interest	0 00	210 63	210 63
Floating Charge Creditor	0 00	103,898 20	103,898 20
Vat Receivable	3,160 55	2,828 55	5,989 10
	<u>19,344.43</u>	<u>142,605.52</u>	<u>161,949 95</u>
<b>Net Receipts/(Payments)</b>	<u>173,079 22</u>	<u>(141,552.38)</u>	<u>31,526.84</u>
<b>Made up as follows</b>			
ISA NIB 12/11/12	173,079 22	(141,552 38)	31,526 84

## B Remuneration charged and expenses incurred by the joint liquidators in the period

### CPC Bristol Limited

	Charged/incurred in period 20 July 2012 to 19 July 2013	Cumulative charged/incurred to 19 July 2013	Of which paid to 19 July 2013
	£	£	£
Joint liquidators' fees	46,223	102,833	75,301
Time costs			
Expenses	29	790	761
<b>Legal Fees:</b>			
Clarke Willmott LLP	3,218	9,881	9,881
<b>Insurance</b>			
JLT	625	625	625

### CPC Kings Lynn Limited

	Charged/incurred in period 20 July 2012 to 19 July 2013	Cumulative charged/incurred to 19 July 2013	Of which paid to 19 July 2013
	£	£	£
Joint liquidators' fees	33,339	100,283	80,909
Time costs			
Expenses	0	3,092	3,092
<b>Legal Fees:</b>			
Clarke Willmott	3,414	11,783	11,783
<b>Insurance.</b>			
JLT	122	122	122



**CPC Stroud Limited**

	<b>Charged/incurred in period 20 July 2012 to 19 July 2013</b>	<b>Cumulative charged/incurred to 19 July 2013</b>	<b>Of which paid to 19 July 2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Trading expenses			
Joint liquidators' fees	6,398	19,372	14,323
Time costs			
Expenses	0	1,082	1,082

**Gravure Properties Limited**

	<b>Charged/incurred in period 20 July 2012 to 19 July 2013</b>	<b>Cumulative charged/incurred to 19 July 2013</b>	<b>Of which paid to 19 July 2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Joint liquidators' fees	16,357	28,029	21,005
Time costs			
Expenses	0	0	0

## C SIP 9 information

### Introduction

The following information is provided in connection with the administrators' remuneration and disbursements in accordance with SIP 9

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

### Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as shown on the attached schedule. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it

	From 01/07/10	From 01/07/11	From 01/07/12	From 01/07/13
	£	£	£	£
Partners up to	535	560	580	600
Managers up to	405	425	440	455
Administrators up to	285	300	310	320
Assistants and support staff up to	195	205	210	220

### Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at standard rates which comply with HM Revenue and Customs limits or AA recommended rates. VAT is added to disbursement charges as necessary.

**CPC Packaging (UK) Limited - C30200743 - SIP 9 TIME COST ANALYSIS**

Job(s) CVL CPU- CPC Bristol Ltd, CVL - CPC Bristol Limited

Transaction period 20/07/2011 to 19/07/2013

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Standard	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Avg. Hrly Rate
Administration and Planning	79.81	36,246.65	45.05	16,269.00	125.35	18,642.75	75.18	10,918.45	325.39	82,076.85	252.24
Creditors			8.60	3,397.50	8.65	1,964.50	27.54	4,095.65	44.79	9,457.65	211.16
Hiatus period											
Investigations					50.	110.00			50	110.00	220.00
Realisation of Assets			2.00	748.75	43.60	9,918.00	3.00	450.00	48.60	11,116.75	228.74
Trading					1.50	330.00			1.50	330.00	220.00
<b>Total</b>	<b>79.81</b>	<b>36,246.65</b>	<b>55.65</b>	<b>20,415.25</b>	<b>179.60</b>	<b>30,965.25</b>	<b>105.72</b>	<b>15,464.10</b>	<b>420.78</b>	<b>103,091.25</b>	<b>245.00</b>

Total fees billed to date (Time) £ 76,571

**CPC Packaging (UK) Limited - C30200743 - SIP 9 TIME COST ANALYSIS**

Job(s) CVL CPU- Gravure Properties Ltd, CVL - Gravure Properties Limited

Transaction period 20/07/2011 to 19/07/2013

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Standard	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Avg Hrrly Rate
Administration and Planning	55	250 75	39 95	14,192 75	32 05	6,353 50	19 78	2,944 40	92 33	23,741 40	257 14
Creditors			4 45	1,795 00	30	69 00	05	7 25	4 80	1,871 25	389 84
Hiatus period											
Investigations					50	110 00			50	110 00	220 00
Realisation of Assets			5 00	2,000 00	80	176 00	25	36 25	6 05	2,212 25	365 66
Trading											
Unclassified			30	64 50					30	64 50	215 00
<b>Total</b>	<b>55</b>	<b>250 75</b>	<b>49 70</b>	<b>18,052 25</b>	<b>33 65</b>	<b>6,708 50</b>	<b>20 08</b>	<b>2,987 90</b>	<b>103 98</b>	<b>27,999 40</b>	<b>269 28</b>

**Total fees billed to date (Time) : £ 21,005**

**CPC Packaging (UK) Limited - C30200743 - SIP 9 TIME COST ANALYSIS**

Job(s) CVL - CPC Kings Lynn Limited, CVL CPU-Kings Lynn Ltd

Transaction period 20/07/2011 to 19/07/2013

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Standard	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Avg Hrly Rate
Administration and Planning	71.21	32,229.65	47.20	17,241.00	64.65	14,421.00	59.16	8,779.85	242.22	72,671.50	300.02
Creditors			25.10	8,200.50	17.20	3,885.00	30.12	4,602.95	72.42	16,688.45	230.44
Hiatus period											
Investigations					50	110.00			50	110.00	220.00
Realisation of Assets			6.45	2,306.50	33.20	7,524.00	3.50	522.50	43.15	10,353.00	239.93
Trading					2.00	440.00			2.00	440.00	220.00
<b>Total</b>	<b>71.21</b>	<b>32,229.65</b>	<b>78.75</b>	<b>27,748.00</b>	<b>117.55</b>	<b>26,380.00</b>	<b>92.78</b>	<b>13,905.30</b>	<b>360.29</b>	<b>100,262.95</b>	<b>278.28</b>

**Total fees billed to date (Time) £ 80,909**

**CPC Packaging (UK) Limited - C30200743 - SIP 9 TIME COST ANALYSIS**

Job(s) CVL CPU- CPC Stroud Ltd, CVL - CPC Stroud Limited

Transaction period 20/07/2011 to 19/07/2013

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Standard	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	Avg Hrly Rate
Administration and Planning	1 00	456 00	19 60	7,049 00	30 85	6,621 00	19 12	2,673 75	70 57	16,799 75
Creditors			2 05	838 50	1 00	230 00	5 10	787 50	8 15	1,856 00
Hiatus period										227 73
Investigations					50	110 00			50	110 00
Realisation of Assets					2 50	550 00			2 50	550 00
Trading										
<b>Total</b>	<b>1 00</b>	<b>456 00</b>	<b>21 65</b>	<b>7,887 50</b>	<b>34 85</b>	<b>7,511 00</b>	<b>24 22</b>	<b>3,461 25</b>	<b>81 72</b>	<b>19,315 75</b>
										<b>236 37</b>

**Total fees billed to date (Time) £ 14,145**

## D An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the liquidator

Rule 4 49E edited for application to a progress report in a creditors' voluntary liquidation

- (1) If
  - (a) within the period mentioned in paragraph (2)
    - (i) a secured creditor, or
    - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
  - (b) with the permission of the court upon an application made within the period mentioned in paragraph (2), any unsecured creditor makes a request in writing to the liquidator for further information about remuneration or expenses set out in the progress report, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of a matter which was previously included in a progress report
- (2) The period referred to in paragraph (1)(a) is 21 days of receipt of the progress report
- (3) The liquidator complies with this paragraph by either -
  - (a) providing all of the information asked for, or
  - (b) so far as the liquidator considers that
    - (i) the time or cost of preparation of the information would be excessive, or
    - (ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
    - (iii) the liquidator is subject to an obligation of confidentiality in respect of the information,
 giving reasons for not providing all of the information
- (4) Any creditor, who need not be the same as the creditor who requested further information, may apply to the court within 21 days of -
  - (a) the giving by the liquidator of reasons for not providing all of the information asked for, or
  - (b) the expiry of the 14 days provided for in paragraph (1),
 and the court may make such order as it thinks just
- (5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 4 131(1B) by such further period as the court thinks just

## E An extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the liquidator's remuneration or expenses if excessive

### Rule 4 131

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
- (1A) Application by a creditor may be made on the grounds that -
  - (a) the remuneration charged by the liquidator,
  - (b) the basis fixed for the liquidator's remuneration under Rule 4 127, or
  - (c) expenses incurred by the liquidator,
 is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice, but which is without notice to any other party  
If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
  - (a) an order reducing the amount of remuneration which the liquidator was entitled to charge
  - (b) an order fixing the basis of remuneration at a reduced rate or amount
  - (c) an order changing the basis of remuneration
  - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation
  - (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify
 and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the liquidation