

The Insolvency Act 1986

**Notice of move from  
administration to creditors'  
voluntary liquidation****2.34B**

Name of Company

354 Print Limited

Company number

06356457

In the  
High Court of Justice, Chancery Division,  
Companies CourtCourt case number  
12072 of 2009We Frederick Charles Satow  
Moorfields Corporate Recovery LLP  
88 Wood Street  
London  
EC2V 7RSSimon Robert Thomas  
Moorfields Corporate Recovery LLP  
88 Wood Street  
London  
EC2V 7RShaving been appointed administrators of 354 Print Limited  
249 Cranbrook Road, Ilford IG1 4TG

on 30 March 2009

by the directors of the Company  
hereby give notice thatthe provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is  
proposed that Frederick Charles Satow & Simon Robert Thomas, Moorfields Corporate Recovery  
LLP, 88 Wood Street, London EC2V 7RS  
will be the Liquidators of the company (IP Nos 8326 & 8920)

We attach a copy of the final progress report

Signed

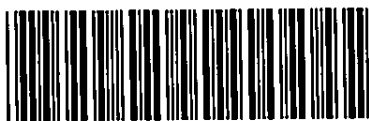
Joint Administrators

Dated

31/3/10

**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  
formThe contact information that you give  
will be visible to searchers of the  
public recordFrederick Charles Satow  
Moorfields Corporate Recovery LLP  
88 Wood Street  
London  
EC2V 7RS

DX Number

020 8528 1090  
DX Exchange

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06/03/2010

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COMPANIES HOUSE

code

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**

**Contact: Andrew Knott – 020 8528 1712**

Our ref 354P001/FS/ST/AK/ACK/ADM 16 010

## To All Creditors

3 March 2010

Dear Sirs

### 354 Print Limited ("The Company") – In Administration

In accordance with Rules 2 47 and 2 110 of the Insolvency Rules 1986, I provide creditors with my second and final progress report on the Administration following my appointment as Joint Administrator of the Company on 30 March 2009.

#### 1. Statutory Information

Statutory information relating to the Company and the appointment is attached to this report at Appendix I.

#### 2. Administration Strategy

The strategy of the Administration was detailed in my initial report to creditors dated 12 May 2009 I summarise as follows

The objective of the Administration was to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up without first being in Administration

The purpose of the Administration was achieved on 30 March 2009 following the sale of the Company's business and assets to Faircall Limited ("Newco"). The consideration for the business and assets of the Company was £7,500

Newco were also responsible for the collection of the outstanding gross debtor ledger totalling £307,741 in accordance with the sale agreement dated 30 March 2009 £292,534 76 has been realised to date The remaining book debts are continuing to be pursued by Newco and collection is expected to be finalised shortly

#### 3. Administrators' accounts

The Administrators' Receipts and Payments account for the period 30 March 2009 to 3 March 2010 is attached at Appendix II I comment specifically as follows

### **3.1. Sale of business and assets**

As reported in section 2, the business and assets of the Company, comprising intellectual property rights, customer listing, domain name, goodwill and order book were sold to Newco on 30 March 2009. The sale consideration was £7,500 paid on completion.

### **3.2. Book Debts**

As you will be aware, book debts collected by Newco in accordance with the sale agreement were initially paid to Lloyds TSB Commercial Finance Limited ("LTSBCF") under the terms of their all monies debenture dated 20 February 2008. This debenture was created as a condition to LTSBCF granting the Company an Invoice Discounting Facility under a Receivables Finance Agreement dated 20 February 2008.

### **3.3. Other Realisations**

Bank interest amounting to £131.39 has also been realised.

## **4. Dividend Prospects**

### **4.1. Secured Creditor**

LTSBCF were paid £129,959 in full settlement of their security over the assets of the Company as mentioned in section 3.2.

### **4.2. Unsecured Creditors and the Prescribed Part**

The total amount of unsecured claims in the Administration is £261,000, which comprises of intercompany debts in favour of Heronsgate Limited (In Administration) and Dbase Print Limited (In Liquidation) for £195,000 and £66,000 respectively.

No distribution was made to the unsecured creditors during the Administration as the Administrators considered it more appropriate to deal with this through Liquidation.

## **5. End of Administration**

The Administrators' proposals, pursuant to paragraph 49 of Schedule B1 of the Act, included the provision to end the Administration through a move into Creditors' Voluntary Liquidation. As you will be aware, at the meeting of creditors held on 8 June 2009 for the purpose of approving the Administrators' proposals in accordance with Paragraph 52(1)(b) of Schedule B1 of the Insolvency Act 1986, the Administrators' proposals were approved without modification.

Furthermore, no nominations for the appointment as Liquidator were received and as such in accordance with Paragraph 83(7) of Schedule B1 of the Insolvency Act 1986, the current Administrators will become the Liquidators.

Enclosed with this report is a Form 2.34B Notice of move from Administration to Creditors' Voluntary Liquidation. The Administration will cease to be effective from the date the above form is filed at Companies House. In accordance with the resolution passed on 8 June

2009, the Administrators' release from liability will take effect within 14 days of the filing of Form 2.34B

## **6. Remuneration**

It was further resolved that the Administrators' proposals relating to their remuneration be approved. This provided for the Administrators to be remunerated with reference to time properly spent in dealing with this matter.

The Administrators' time costs to date amount to £40,776.44. In accordance with Statement of Insolvency Practice 9 I have attached at Appendix III a breakdown of these time costs. Of these costs, £20,000 has been drawn to date.

Furthermore, the sum of £17.40 has been drawn in respect of Administrators' expenses for stationery, printing and postage costs.

## **7. Further Information**

Should you have any queries, please do not hesitate to contact my colleague Andrew Knott.

Yours faithfully  
For and on behalf of  
354 Print Limited



**F C Satow**  
**Joint Administrator**

Tel 020 8528 1090  
Fax 020 8528 1290  
Email [aknott@moorfieldscr.com](mailto:aknott@moorfieldscr.com)

**Fred Satow and Simon Thomas of Moorfields Corporate Recovery LLP, 88 Wood Street, London EC2V 7RS were appointed Joint Administrators on 30 March 2009. The Administrators now manage the affairs, business and property of the company. The Administrators act as agents only and without personal liability.**

## **Appendix I – Statutory Information**

### **Company Information**

Company Name	354 Print Limited
Company Number	06356457
Registered Office	88 Wood Street, London EC2V 7RS
Trading Address	Units 18-20 Heronsgate Trading Estate, Paycocke Road, Basildon, Essex SS14 3EU

### **Appointment details**

Administrators	Fred Satow and Simon Thomas of Moorfields Corporate Recovery LLP
Administrators' address	88 Wood Street, London EC2V 7RS
Date of appointment	30 March 2009
Court	High Court of Justice, Chancery Division, Companies Court
Court Reference	12072 of 2009
Appointed by	Directors
Functions	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone
EC Regulations	The Company's registered office is from where the Company carries on its business. Therefore in the absence of proof to the contrary, the Company's centre of main interests is in the United Kingdom and as such these proceedings will be the main proceedings as defined in article 3 of the EC regulation
Extensions	The Administrators have not sought an extension to the period defined by Paragraph 76(1) of Schedule B1 of the Act that provides for the automatic end of the Administration after 12 months from the date of appointment

**354 Print Limited - In Administration**

**Joint Administrators' Abstract Of Receipts And Payments  
For the period 30 March 2009 to 3 March 2010**

	<u><b>Amount (£)</b></u>
<b>Receipts</b>	
Goodwill & Order Book	7,000 00
Book Debts	292,534 76
Intellectual Property Rights	500 00
Gross Bank Interest	128 72
Bank Interest Net of Tax	2 67
<b>Total Receipts</b>	<u><b>300,166.15</b></u>
<b>Payments</b>	
Specific Bond	420 00
Office Holder Fees	20,000 00
Office Holder Expenses	17 40
Agents/Valuers Fees	500 00
Legal Fees	2,020 00
Book Debt Collection Fees	2,746.59
Statutory Advertising	270 68
Secured Creditor	129,959 00
Transfer to Liquidation	144,232 48
<b>Total Payments</b>	<u><b>300,166.15</b></u>
<b>Balance in Hand</b>	<u><u><b>0.00</b></u></u>

## SIP9 Time & Cost Summary

Appendix III

354 Print Limited - In Administration  
30 March 2009 to 3 March 2010

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	5.25	15.77	49.00	7.85	77.87	16,641.10	213.70
Asset Realisation	2.75	12.98	69.68	1.00	86.41	17,576.73	203.41
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Chargeable - expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	2.00	0.42	14.60	1.92	18.94	3,935.85	207.81
Investigations	0.75	0.00	2.50	0.00	3.25	765.00	235.38
Non-chargeable - expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.50	1.00	7.52	0.00	9.02	1,857.76	205.96
<b>Total Hours</b>	<b>11.25</b>	<b>30.17</b>	<b>143.30</b>	<b>10.77</b>	<b>195.49</b>	<b>40,776.44</b>	<b>208.59</b>

## **Explanation of office-holders charging and disbursement recovery policies**

**Appendix III of this report outlines the time costs to date in relation to activities undertaken during this matter.**

### **1 1 Administration and planning**

The following activities have been undertaken

- Statutory duties associated with the appointment including the filing of relevant notices,
- Notification of the appointment to creditors, members, directors and other interested parties,
- Setting up case files,
- Reviewing available information to determine appropriate strategy,
- Setting up and maintaining bank accounts,
- Implementing the strategy for the Administration,
- 6 monthly progress review of the case and final Administration report to creditors, and
- Correspondence with the Insolvency Compliance Unit at BIS

Staff at different levels were involved in the above activities depending upon the experience required

### **1 2 Realisation of assets**

Appendix II shows the realisations made for the benefit of the creditors. In this case the assets belonging to the company were as follows

- Goodwill/Work in progress
- Book debts
- Intellectual property rights
- Bank Interest

The time spent includes the following matters

- Liasing with Newco leading up to the sale of the business and assets of the Company,
- Dealing with solicitors with regards to sale agreement,
- Corresponding with agents in relation to valuations and realisation of Company assets, and
- Dealing with Newco regarding the book debt collections

### **1 3 Creditors**

The time spent includes the following matters

- Recording and maintaining the list of creditors,
- Recording creditor claims;
- Dealing with specific customer/creditor calls and correspondence, credit insurers and contact customers,
- Reporting to creditors;
- Dealing with creditor queries, and
- Reviewing and evaluating creditor claims to date

### **1 4 Investigations**

- Investigations into Company's affairs after commencement of Administration,
- Reviewing Company books and records, including accounts and bank statements,
- Corresponding with directors and issuing and reviewing directors' questionnaires,
- Completion of Directors' Conduct Report and submission to Insolvency Compliance Unit at BIS in accordance with Company Directors Disqualification Act 1986



## 2 Time recording

In accordance with best practice, I provide below details of policies of Moorfields Corporate Recovery LLP, in respect of fees and disbursements for work in relation to the above insolvency

The current charge out rates per hour of staff within the firm who may be involved in working on the insolvency follows this in no way implies that staff at all such grades will work on the case

	£
Partners	440
Senior Managers	325
Managers	300-325
Assistant Managers	225
Senior Administrators	200-220
Administrators	125-185
Cashiers	140
Secretarial and support staff	70

The rates charged by Moorfields Corporate Recovery LLP, 88 Wood Street, London EC2V 7RS are reviewed periodically in January and July each year and are adjusted to take account of inflation and the firm's overheads

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time Units of time can be as small as 5 minutes

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate

Where remuneration has been approved on a time cost basis the time invoiced will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs

Where expenses are incurred in respect of the case they will be recharged Such expenses can be divided into two categories

For your information, a Creditors Guide to Administrators' fees is enclosed

### Category 1

This heading covers expenses where Moorfields Corporate Recovery LLP has met a specific cost in respect of the case where payment has been made to a third party Such expenses may include items such as advertising, travel (by public transport), couriers, searches at companies house, land registry searches, fees in respect of swearing legal documents, external printing costs etc In each case the recharge will be reimbursement of a specific expense incurred

A further disbursement under this heading is the cost of travel where staff use their own vehicles or company cars in travelling connected with the case In these cases a charge of 40p per mile is raised which is in line with HM Revenue & Customs approved mileage rates (median – less than 10,000 miles per annum) which is the amount the firm pays to staff

Where applicable, disbursements will be subject to VAT at the prevailing rate

## **Category 2**

### **Allocated disbursements**

It is proposed that the following allocated expenses of administering the case be charged -

- **Company searches** Searches are obtained by the firm's company secretarial department and are charged at the cost of the search plus an administration charge, which is currently 25% of cost, subject to a minimum administration charge of £5 00
- **Meeting room charge** for statutory meetings, charged at £100 per meeting summoned
- **Document storage** - £25 70 per box
- **Mileage allowances** are paid at HM Revenue & Customs approved rates. For personnel using their own vehicles these are currently 40p per mile for the first 10,000 miles and 25p per mile thereafter
- **Stationery and postage** charge for sending out circulars -5p per sheet and postage at cost.

It should be noted that disbursements costs might increase from time to time, however, increases would only be in line with inflation or increases from our suppliers

## A CREDITORS' GUIDE TO ADMINISTRATORS' FEES ENGLAND AND WALES

### 1 Introduction

1.1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The Insolvency legislation recognises this interest by providing mechanisms for creditors to fix the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights to approve and monitor fees and explains the basis on which fees are fixed.

### 2 The nature of administration

2.1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective:

- Rescuing the company as a going concern, or
- Achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration.

or, if the administrator thinks neither of these objectives is reasonably practicable

- Realising property in order to make a distribution to secured or preferential creditors.

### 3 The creditors' committee

3.1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration order to consider his proposals. The administrator must call the first meeting of the committee within 6 months of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

### 4 Fixing the administrator's fees

4.1 The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed either:

- as a percentage of the value of the property which the Administrator has to deal with, or
- by reference to the time properly given by the Administrator and his staff in attending to matters arising in the administration.

It is for the creditors' committee (if there is one) to determine on which of these bases the remuneration is to be fixed and, if it is fixed as a percentage fix the percentage to be applied. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case;
- any responsibility of an exceptional kind or degree which falls on the Administrator;
- the effectiveness with which the Administrator appears to be carrying out, or to have carried out, his duties;
- the value and nature of the property which the Administrator has to deal with.

4.2 If there is no creditors' committee, or the committee does not make the requisite determination, the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to

the same matters as the committee would. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator.

4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except put of the reserved fund which may have to be set aside out of floating charge assets. In this case, if there is no creditors' committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of -

- each secured creditor of the company; or
- if the administrator has made or intends to make a distribution to preferential creditors -
- each secured creditor of the company; and
- preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval, having regard to the same matters as the committee would.

Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

4.4 A resolution of creditors may be obtained by correspondence.

### 5 What information should be provided by the administrator?

#### 5.1 When seeking fee approval

5.1.1 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on:

- the nature of the approval being sought;
- the stage during the administration of the case at which it is being sought; and
- the size and complexity of the case.

5.1.2 Where, at any creditors' or committee meeting, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

5.1.3 Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the

circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff:

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain:

- Any significant aspects of the case, particularly those that affect the amount of time spent.
- The reasons for subsequent changes in strategy.
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement.
- Any existing agreement about fees.
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees.

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

5.1.4 Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by a administrator or his staff.

#### 5.2 After fee approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. When subsequently reporting to creditors on the progress of the administration, or submitting his final report, he should specify the amount of remuneration he has drawn in accordance with the resolution. Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 5.1.3. Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 5.1.4 above regarding work which has been sub-contracted out.

#### 5.3 Expenses and disbursements

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements. However, professional guidance issued to insolvency practitioners requires that, where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may

include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

### 6 What if a creditor is dissatisfied?

6.1 If a creditor believes that the administrator's remuneration is too high he may, if at least 25 per cent in value of the creditors (including himself) agree, apply to the court for an order that it be reduced. If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing. Unless the court orders otherwise, the costs must be paid by the applicant and not out of the assets of the insolvent company.

7 What if the administrator is dissatisfied? If the administrator considers that the remuneration fixed by the committee is insufficient he may request that it be increased by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors or in accordance with the official receiver's scale is insufficient, he may apply to the court for it to be increased. If he decides to apply to the court he must give at least 14 days' notice to the members of the committee and the committee may nominate one or more of its members to appear or be represented at the court hearing. If there is no committee, the administrator's notice of his application must be sent to such of the creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid out of the assets.

### 8 Other matters relating to fees

8.1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors. If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.

8.2 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.

### 9 Provision of information - additional Requirements

In any case where the administrator is appointed on or after 1 April 2005 he must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company.

The information which must be provided is -

- the total number of hours spent on the case by the administrator or staff assigned to the case;
- for each grade of staff, the average hourly rate at which they are charged out;
- the number of hours spent by each grade of staff in the relevant period.

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator's appointment, or where he has vacated office, the date that he vacated office.

The information must be provided within 28 days of receipt of the request by the administrator, and requests must be made within two years from vacation of office.