

Liquidator's Progress Report

S.192

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

To the Registrar of Companies

Company Number

02650075

Name of Company

(a) Insert full name of company

(a) Shelfco 1234 Limited (Formerly Gemini Press Limited)

(b) Insert name(s) and address(es) of liquidator(s)

We (b) Jonathan James Beard
Begbies Traynor (Central) LLP
2/3 Pavilion Buildings
Brighton
East Sussex
BN1 1EE

John Walters
Begbies Traynor (Central) LLP
2/3 Pavilion Buildings
Brighton

the Liquidator(s) of the company attach a copy of our Progress Report statement of receipts and payments under Section 192 of the Insolvency Act 1986

The Progress Report statement of receipts and payments covers the period from 16 April 2016 to 15 November 2016

Dated

13/1/17

Signed




Joint Liquidator

Name in
BLOCK LETTERS

JONATHAN JAMES BEARD

Presenter's name,
address and reference
(if any)

SH212CVL
Shelfco 1234 Limited (Formerly Gemini Press Limited)
Jonathan James Beard
Begbies Traynor (Central) LLP
2/3 Pavilion Buildings
Brighton
East Sussex
BN1 1EE

For Official Use	
Liquidation Section	Post Room
	
A5YEBP1M	
A09	18/01/2017 #330
COMPANIES HOUSE	

WEDNESDAY



**Shelfco 1234 Limited
(Formerly Gemini Press Limited)
(In Creditors' Voluntary Liquidation)**

Progress report

Period: 16 April 2016 to 15 November 2016

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

Contents

- ❑ Interpretation
- ❑ Company information
- ❑ Details of appointment of liquidators
- ❑ Progress during the period
- ❑ Estimated outcome for creditors
- ❑ Remuneration and disbursements
- ❑ Liquidators' expenses
- ❑ Assets that remain to be realised
- ❑ Other relevant information
- ❑ Creditors' rights
- ❑ Conclusion
- ❑ Appendices
 - 1 Liquidators' account of receipts and payments
 - 2 Liquidators' time costs and disbursements
 - 3 Statement of Liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Shelfco 1234 Limited (Formerly Gemini Press Limited) (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 16 April 2015
"the liquidators", "we", "our" and "us"	Jonathan James Beard and John Walters of Begbies Traynor (Central) LLP, 2/3 Pavilion Buildings, Brighton, East Sussex, BN1 1EE
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	<ul style="list-style-type: none">(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and(ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading names	Gemini Press, Gemini Brighton & Gemini West
Company registered number	02650075
Company registered office	2/3 Pavilion Buildings, Brighton, BN1 1EE
Former trading address	Unit A1 Dolphin Way, Shoreham by Sea, West Sussex, BN43 6NZ

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	16 April 2015
Date of liquidators' appointment	16 April 2015
Changes in liquidator	Jonathan James Beard and John Walters were removed as liquidators at a meeting of creditors held on 15 November 2016 At the same meeting, David Buchler of Buchler Phillips and David Rubin of David Rubin & Partners were appointed as joint liquidators

4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 16 April 2016 to 15 November 2016

Sums due from subsidiary companies

As previously reported, the principle asset in the director's statement of affairs was the sum due to the Company in respect of its shareholding in two subsidiary companies. The subsidiaries ceased to trade in 2013 and they were then placed into solvent liquidation in March 2015.

The solvent liquidation of one of the subsidiary companies was converted to an insolvent liquidation in February 2016 following two creditor claims coming to light in late January 2016. As a result no funds were available from that subsidiary.

The solvent liquidation of the other subsidiary company was finalised within the period of this report and a distribution of £17,812.80 was received from the liquidation. No further funds are anticipated in that regard.

Lease deposit

In our last progress report we advised that we were considering whether a deposit paid by the Company in respect of certain leased equipment was available for repayment into the liquidation. Within the period of this report we have liaised with the lease creditor, which has advised that there is no refund available. We have passed details of the lease agreements to the new liquidators for further consideration as appropriate.

Change of liquidator

As detailed within our previous progress report, we have undertaken an extensive review of a transfer of the business in 2013 and have liaised with the Company directors, the Company's accountants, representatives of the Company's major creditor and our solicitors in respect of the same.

Following our review we liaised with the Company's major creditor who subsequently advised that it intended to exercise its right to appoint alternative liquidators to take matters forward in order to consider the position in further detail.

Consequently, we convened a meeting of creditors on 15 November 2016, which resolved that we be removed as liquidators and for the appointment of David Buchler of Buchler Phillips and David Rubin of David Rubin & Partners as alternative joint liquidators.

Since their appointment we have liaised with the new liquidators in order to provide them with such information as they require in order to take matters forward.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs included within the report sent to creditors further to our appointment as liquidators

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows

Preferential creditors

There are no known preferential claims

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows

- ☐ 50% of the first £10,000 of net property,
- ☐ 20% of net property thereafter,
- ☐ Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit, (Section 176A(3)) or
- ☐ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors

Unsecured creditors

At the date of our last report we did not anticipate that there would be sufficient funds to enable a dividend to be paid to unsecured creditors. However, this is now a matter for consideration by the subsequently appointed liquidators

6. REMUNERATION & DISBURSEMENTS

Remuneration

Our remuneration was fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act on 16 April 2015 by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters

ansing in the winding up and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report

Our time costs for the period from 16 April 2016 to 15 November 2016 amount to £15,395 00, which represents 54 4 hours at an average rate of £283 00 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period to
- ☐ Begbies Traynor (Central) LLP's charging policy

In addition to the Time Costs Analysis for the period covered by this report, a cumulative Time Costs Analysis for the period from 16 April 2015 to 15 November 2016 is also attached at Appendix 2

It should be noted that the above time costs analysis does not include time that has been spent dealing with the handover of documentation to the subsequently appointed liquidators

To date, we have drawn fees of £20,205 59 on account of the time costs incurred since the date of our appointment

We therefore have unpaid time costs of £28,947 91, which rank for payment alongside the fees of the subsequently appointed liquidators. For the avoidance of doubt, in the event that realisations become available in the future we reserve the right to seek payment of our costs from the liquidation

Disbursements

To date, we have drawn Category 1 disbursements in the sum of £353 23

No Category 2 disbursements have been drawn

A copy of 'A Creditors' Guide to Liquidators Fees (E&W)' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3

8. ASSETS THAT REMAIN TO BE REALISED

We are not aware of any assets of the Company that remain to be realised

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated at the meeting of creditors convened pursuant to Section 98 of the Act, such report having also been sent to creditors following the meeting, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 4.49E of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been detailed in this progress report.

Right to make an application to court

Pursuant to Rule 4.131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

As detailed within the body of this report, following a meeting of creditors held on 15 November 2016 David Buchler and David Rubin replaced us as joint liquidators. As such, this is our final report on the progress of the liquidation and all future reports will be provided to creditors by the new liquidators as appropriate.



J J Beard

Former Joint Liquidator

Dated 13 January 2017

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 16 April 2016 to 15 November 2016

RECEIPTS AND PAYMENTS ACCOUNT PERIOD 16 APRIL 2016 to 15 NOVEMBER 2016

	Period from 16 April 2016 to 15 November 2016		Period from 16 April 2015 to 15 November 2016	
	£	£	£	£
Receipts				
<u>Assets not subject to a fixed charge</u>				
Investments	17,812 80		17,812 80	
Settlement	-		15,000 00	
Cash at Bank	-		90 36	
Sundry Receipts	-		1 98	
Bank Interest (gross)	7 88		17 18	
		17,820 68		32,922 32
Payments				
Statement of Affairs Fees	-		(5,000 00)	
Liquidators' fees	(20,205 59)		(20,205 59)	
Statutory Bond	-		(67 50)	
Legal Fees	(2,000 00)		(4,211 50)	
Accountancy Fees	(2,050 00)		(3,150 00)	
Postage	(8 67)		(31 93)	
Corporation tax	(2 00)		(2 00)	
Statutory Advertising	-		(253 80)	
		(24,266 26)		(32,922 32)
Balance Held		<u><u>(6,445 58)</u></u>		<u><u>-</u></u>

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's charging policy,
- b Narrative summary of time costs incurred,
- c Table of time spent and charge-out value for the period from 16 April 2016 to 15 November 2016, and
- d Cumulative table of time spent and charge-out value for the period from 16 April 2014 to 15 November 2016

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

In addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements.

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Brighton office as at the date of this report are as follows

	Standard
	1 May 2011 –
	until further notice
	Regional
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in units 6 minute units

SUMMARY OF TIME COSTS AND EXPENSES

This summary, which should be read in conjunction with the Time Costs Analysis attached, is intended to provide sufficient information to enable the body responsible for the approval of our fees to consider the level of our fees and expenses in the context of the case

What work has been done since our last report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached.

General case administration and planning

This category of work includes time spent undertaking general administration of the case files, dealing with the banking of receipts and payments and planning discussions between the case manager, appointed liquidators and case staff.

Within the period of this report it has included the administration and planning associated with the appointment of new liquidators.

This category of work does not have a direct financial benefit to creditors.

Investigations

This category of work includes time spent considering the position as regards any transactions undertaken prior to the liquidation and undertaking reviews of the same.

Within the period of this report it has included time spent liaising with the major creditors' representatives and reviewing the prepared reconciliations.

This category of work has not had a direct financial benefit to creditors.

Compliance with the Insolvency Act, Rules and best practice

This category of work includes time spent undertaking reviews of the liquidation of the case to ensure that matters are being progressed in line with statute and best practice guidance. In addition, it is necessary for liquidators to report to creditors in line with the statutory reporting schedule appropriate to the case.

Within the period of this report it has included considering the position as regards a requisitioned creditors' meeting and the statutory requirements associated with a change in liquidator.

This category of work does not have a direct financial benefit to creditors.

Dealing with all creditors' claims (including employees), correspondence and distributions

Time spent in respect of this category of work includes dealing with general creditor correspondence and telephone call

Within the period of this report this has principally been time spent liaising with representatives of the major creditor

This work is not directly of financial benefit to creditors

Other matters which includes meetings, tax, litigation, pensions and travel

Time spent in this category relates to undertaking our statutory reporting duties in respect of the Company's tax obligations and includes some time spent meeting with the Company's director

Time Costs Analysis

An analysis of time costs is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type

Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only

Category 2 Disbursements

No category 2 disbursements have been charged to this case

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

Outlining the future work to be undertaken is a matter for the newly appointed liquidators and anticipate that this information will be made available to creditors with their reports

How much will this further work cost?

Outlining the cost of future work to be undertaken is a matter for the newly appointed liquidators and anticipate that this information will be made available to creditors with their reports

Expenses

We are unable to comment on the level of expenses that the newly appointed liquidators are anticipated to incur and anticipate that this information will be made available to creditors with their reports

Staff Grade	Consultant/Partner	Director	Snr Mgr	Mngr	Asst Mgr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning											0.00
	Administration	14.5					0.3	1.7	0.3	16.8	5,973.00	355.54
	Total for General Case Administration and Planning	14.5					0.3	1.7	0.3	16.8	5,973.00	355.54
Compliance with the Insolvency Act, Rules and best practice	Appointment											0.00
	Banking and Bonding						1.1		1.1	2.2	214.50	97.50
	Case Closure											0.00
Investigations	Statutory reporting and statement of affairs			13.0						13.0	3,445.00	265.00
	Total for Compliance with the Insolvency Act, Rules and best practice			13.0			1.1		1.1	15.2	3,659.50	240.76
	CDDA and Investigations			6.5			5.0			11.5	2,397.50	208.48
Realisation of assets	Total for Investigations			6.5			5.0			11.5	2,397.50	208.48
	Debt collection											0.00
	Property business and asset sales											0.00
Trading	Retention of Title/Third party assets											0.00
	Total for Realisation of assets											0.00
	Trading											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Total for Trading											0.00
	Secured											0.00
	Others	6.6								6.6	2,607.00	395.00
Other matters which includes meetings, tax, litigation pensions and travel	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees) correspondence and distributions	6.6								6.6	2,607.00	395.00
	Meetings	1.0								1.0	395.00	395.00
	Other											0.00
	Tax							3.3		3.3	363.00	110.00
	Litigation											0.00
	Total for Other matters	1.0						3.3		4.3	758.00	176.28
	Total hours by staff grade	22.1		19.5			6.4	5.0	1.4	54.4		
	Total time cost by staff grade	8,729.50		5,167.50			364.00	550.00	84.00		15,395.00	
	Average hourly rate £	395.00	0.00	265.00	0.00	0.00	135.00	110.00	60.00			283.00
	Total fees drawn to date £										20,205.59	

Staff Grade	Consultant/Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning												
Case planning												
Administration	42.0						7.4	7.2	0.3	56.9	18,399.00	323.36
Total for General Case Administration and Planning	42.0						7.4	7.2	0.3	56.9	18,399.00	323.36
Compliance with the Insolvency Act, Rules and best practice												
Appointment	0.7									0.7	276.50	385.00
Banking and Bonding							3.0		2.2	5.2	537.00	103.27
Case Closure												0.00
Statutory reporting and statement of affairs				13.0						13.0	3,445.00	265.00
Total for Compliance with the Insolvency Act, Rules and best practice	0.7			13.0			3.0		2.2	18.9	4,258.50	225.32
Investigations												
CDDA and investigations	13.6			6.5			48.8	2.5		71.4	13,957.50	195.48
Total for Investigations	13.6			6.5			48.8	2.5		71.4	13,957.50	195.48
Realisation of assets												
Debt collection												0.00
Property business and asset sales							12.6			12.6	1,701.00	135.00
Retention of Title/Third party assets												0.00
Total for Realisation of assets							12.6			12.6	1,701.00	135.00
Trading												
Trading												0.00
Total for Trading												0.00
Dealing with all creditors claims (including employees), correspondence and distributions												
Secured												0.00
Others	23.8						1.7			25.5	9,630.50	377.67
Creditors committee												0.00
Total for Dealing with all creditors claims (including employees), correspondence and distributions	23.8						1.7			25.5	9,630.50	377.67
Other matters which includes meetings tax litigation, pensions and travel												
Meetings	2.0									2.0	790.00	395.00
Other												0.00
Tax							0.4	3.3		3.7	417.00	112.70
Litigation												0.00
Total for Other matters	2.0						0.4	3.3		5.7	1,207.00	211.75
Total hours by staff grade	82.1			19.5			73.9	13.0	2.5	191.0		
Total time cost by staff grade	32,429.50			5,167.50			9,976.50	1,430.00	150.00		49,153.50	
Average hourly rate £	395.00	0.00	0.00	265.00	0.00	0.00	135.00	110.00	60.00			257.35
Total fees drawn to date £											20,205.59	

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Accountancy fees	Friend James Limited	Nil	2,050 00	Nil
Legal fees	DMH Stallard LLP	Nil	2,000 00	Nil