

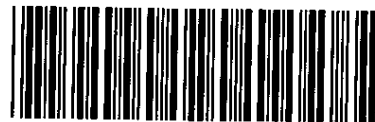
# LIQ03

## Notice of progress report in voluntary winding up



Companies House

THURSDAY



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A28

19/10/2017

#382

COMPANIES HOUSE

### 1 Company details

Company number 0 2 9 9 1 2 6 8

Company name in full Pagebase Limited T/A Cutting Edge

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Simon Renshaw

Surname

### 3 Liquidator's address

Building name/number Langley House

Street Park Road

Post town London

County/Region

Postcode N 2 8 E Y

Country

### 4 Liquidator's name

Full forename(s)

Surname

#### Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address

Building name/number

Street

Post town

County/Region

Postcode

Country

#### Other liquidator

Use this section to tell us about  
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

**6** Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 8	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 6
To date	<sup>d</sup> 2	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 8	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 7

**7** Progress report

☒ The progress report is attached

**8** Sign and date

Liquidator's signature

Signature

X

*Rehan*

X

Signature date

<sup>d</sup>  
1

<sup>d</sup>  
6

<sup>m</sup>  
1

<sup>m</sup>  
0

<sup>y</sup>  
2

<sup>y</sup>  
0

<sup>y</sup>  
1

<sup>y</sup>  
7

# **Liquidator's Annual Progress Report to Creditors & Members**

**Pagebase Limited T/A Cutting Edge  
- In Liquidation**

**16 October 2017**

## **PAGEBASE LIMITED T/A CUTTING EDGE - IN LIQUIDATION**

### **CONTENTS**

- 1** Introduction and Statutory Information
- 2** Progress of the Liquidation
- 3** Creditors
- 4** Liquidator's Remuneration
- 5** Creditors' Rights
- 6** Next Report

### **APPENDICES**

- A** Receipts and Payments Account for the Period from 24 August 2016 to 23 August 2017
- B** Additional information in relation to Liquidator's Fees, Expenses & Disbursements

**1 Introduction and Statutory Information**

- 1.1 I, Simon Renshaw ACA MIPA MABRP of AABRS Limited, Langley House, Park Road, London, N2 8EY, was appointed as Liquidator of Pagebase Limited (the **Company**) on 24 August 2016.
- 1.2 This progress report covers the period from 24 August 2016 to 23 August 2017 (the **Period**).
- 1.3 The principal trading address of the Company was Uplands, Furzehill, Wimborne, Dorset, BH21 4HD. The business traded under the name Cutting Edge.
- 1.4 The registered office of the Company has been changed to Langley House, Park Road, East Finchley, London, N2 8EY and its registered number is 02991268.

**2 Progress of the Liquidation**

- 2.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Liquidator and his staff.
- 2.2 At Appendix A is my Receipts and Payments Account for the Period.

**Administration (including statutory compliance & reporting)**

- 2.3 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work I anticipated would need to be done in this area were outlined to creditors in my initial fee information.
- 2.4 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidator.
- 2.5 As noted in my initial fee information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.
- 2.6 Below are details of the work I have undertaken during the reporting period:-
  - (i) Notifying creditors of the Liquidator's appointment and other associated formalities including statutory advertising and filing relevant statutory notices at Companies House;
  - (ii) Complying with statutory duties in respect of the Liquidator's specific penalty bond;
  - (iii) Creation and update of case files on my firm's insolvency software;
  - (iv) Securing, listing and storing the Company's books and records;
  - (v) Completion and filing of the notice of the Company's insolvency to HM Revenue and Customs;
  - (vi) Pension regulatory reporting;

## **PAGEBASE LIMITED T/A CUTTING EDGE - IN LIQUIDATION**

- (vii) Initial assessment required by the Statement of Insolvency Practice 2 and the Company Directors Disqualification 1986 (CDDA) including review of the company's books and records and the identification of potential asset realisations which may be pursued in the liquidation;
  - (viii) Case progression reviews;
  - (ix) Opening, maintaining the liquidation estate cashbook and bank account;
  - (x) Dealing with all post-appointment VAT and corporation tax compliance;
  - (xi) Instructing a firm of agents, CAPA Ltd, to identify any potential business rates refunds due to the Company and correspondence regarding the same;
  - (xi) Co-ordinating the collection of the outstanding balance of consideration following the sale of the Company's assets prior to my appointment;
  - (xii) Liaising with the Directors with regard to repayment of the overdrawn Directors' loan account balances; shortly after the end of this reporting period, I instructed Grace and Good Ltd, an independent firm of corporate debt collection agents, to assist me in recovery of these balances.
- 2.7 Based on the current position of the case, the following work remains to be completed:
- i) Continued recovery action in respect of the overdrawn Director's Loan Account balances; see section 2.10 below;
  - ii) Where sufficient funds are realised in respect of the overdrawn loan account balances to merit a distribution to unsecured creditors: agreement of unsecured creditor claims and payment of a dividend;
  - iii) Issuance of the Liquidator's final account to creditors once all outstanding matters have been resolved.

### **Realisation of Assets**

2.8 The following assets were realised during the Period.

### **2.9 Cash in Hand – Sale of Assets**

- (i) The Directors' Statement of Affairs indicated that cash in hand was estimated to realise a sum of £5,000 and £5,000 was realised.
- (ii) The cash held related to funds received on 14 July 2016 following the sale of the Company's tangible assets and goodwill to Cutting Edge Wimborne Limited for £6,000 on 17 May 2016. The balance of £1,000 was received on 11 November 2016 and is denoted on the Statement of Affairs as 'other debtors'.
- (iii) At the date of liquidation, Cutting Edge Wimborne Limited was a connected party by virtue of the directorship of Mr L R Eldret, the Directors' son. Mr L Eldret has since resigned and the Directors of the Company in liquidation, Mrs P Eldret and Mr W Eldret, were appointed in

April 2017. I refer you to the paragraph below relating to connected party transactions.

**2.10 Other Debtors – Sale of Assets**

- (i) The Directors' Statement of Affairs indicated that other debtors were estimated to realise £1,000 and £1,000 was received.

**2.11 Overdrawn Directors' Loan Accounts**

- (i) The Directors' Statement of Affairs indicated that there were overdrawn Director's loan account balances due from the Directors, Mr and Mrs Eldret totalling £82,468. It was originally uncertain if recoveries would be achieved from this source. No recoveries were achieved during the Period.
- (ii) The figure of £82,468 was taken from the financial statements for the year ended 29 November 2014, which disclosed that Mr and Mrs Eldret had overdrawn directors' loan account balances of £38,784 and £43,684 respectively. Whilst it was indicated that funds totalling circa £32,000 had been introduced in the period from 30 November 2014, my office was only able to substantiate credits of circa £11,000. Further, additional payments out to the Directors were identified during the same period and as such the amount considered due at present remains in the region of £80,000.
- (iii) In order to assess their ability to make repayment of the loan account balances, I requested details of Mr and Mrs Eldret's personal financial position, which were duly provided. These indicate that, whilst Mr and Mrs Eldret are unable to support a monthly repayment plan, it may be possible to secure a lump sum settlement through their property.
- (iv) Accordingly, I have instructed Grace and Good Ltd, an independent firm of corporate debt collection agents, to assist me in negotiating a settlement with Mr and Mrs Eldret. Their efforts remain on-going and creditors will be provided with an update in my next report to creditors.

**Unrealised Assets**

2.12 The remaining unrealised assets include the following:

- (i) The overdrawn Directors' Loan Account balances totalling circa £80,000; recovery action in this regard is on-going.

2.13 It is considered that the work the Liquidator and his staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3<sup>rd</sup> party security, result in a distribution to the preferential and unsecured creditors of the Company.

**Creditors (claims and distributions)**

2.14 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. A Liquidator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor

## **PAGEBASE LIMITED T/A CUTTING EDGE - IN LIQUIDATION**

and dealing with distributions from asset realisations caught under their security, most typically a debenture.

- 2.15 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.16 The above work will not necessarily bring any financial benefit to creditors generally, however a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims.
- 2.17 I consider the following matters worth noting in my report to creditors at this stage:
- There is no secured creditor
  - No preferential creditors' claims were anticipated and none have been received
  - There are approximately eight unsecured creditor claims in this case with a value per the Directors' Statement of Affairs of £80,745.16
  - I have received claims from unsecured creditors totalling £131,579.94 from six creditors. I have yet to receive claims from three creditors whose debts total £1,350.38 as per the Directors' Statement of Affairs

### **Investigations**

- 2.18 Some of the work the Liquidator is required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (**CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.
- 2.19 I can confirm that I have submitted a report on the conduct of the directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 2.20 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account any information provided by creditors and included a review of the sale of assets to Cutting Edge Wimborne Limited that took place prior to my appointment. My investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors.

### **Connected Party Transactions**

- 2.21 In accordance with Statement of Insolvency Practice 13, I would advise you that the following assets were sold to a connected party in the twelve month period leading up to liquidation:



## PAGEBASE LIMITED T/A CUTTING EDGE - IN LIQUIDATION

Date of transaction	Assets Involved & nature of transaction	Consideration paid & date	Sold to	Relationship
17 May 2016	Purchase of goodwill, stock, fixtures, fittings and equipment	Total consideration: £6,000 £5,000 paid on 14 July 2016 £1,000 paid on 11 November 2016	Cutting Edge Wimborne Limited	Mr Liam Robert Eldret, the Director's son (former Director)  Mr William Brian Eldret & Mrs Patricia Carmel Eldret (current Directors)

- 2.22 The Company obtained professional valuation advice in relation to the sale from Proudley Associates Ltd, an independent firm of commercial valuation agents. It is unknown whether the purchaser was independently advised.
- 2.23 Following my appointment as Liquidator, I undertook a review of the sale in accordance with my duties under Statement of Insolvency Practice 2.
- 2.24 Whilst it does not appear that the Company undertook any marketing activities to explore the option of a third party sale, it is recognised that the available time to do so would have been limited by the need to ensure that there was no disruption to business that would dissipate the value of the goodwill. The connected party sale, which was in line with the professional valuation, likely offered the least risk in this regard, particularly as customer loyalty would have been bound to a certain extent to the existing staff. It facilitated an immediate and seamless transfer of the business, preserving the value of the goodwill and thus maximising the return to the estate.
- 2.25 In the case of the tangible assets, it is understood that there were no significant additions to the £8,221 as disclosed in the 29 November 2014 financial statements and the second hand re-sale value diminished to the nature of the items. As such, the in-situ sale to a connected party is also like to have maximised the return for the insolvent company as the price paid was in line with the professional valuation but did not attract any transportation or other costs of sale.
- 2.26 It would appear therefore that the transaction was appropriate in the circumstances and did not take place at an undervalue within the meaning of Section 238 of the Insolvency Act 1986 (as amended).

### 3 Creditors

#### Secured Creditors

- 3.1 There is no secured creditor registered at Companies House.

#### Qualifying Floating Charge Holder

- 3.2 The Company did not grant a floating charge to a creditor.

**Preferential Creditors**

- 3.3 No preferential claims were anticipated and none have been received.

**Unsecured Creditors**

- 3.4 I have received claims totalling £131,579.94 from six creditors. I have yet to receive claims from three creditors whose debts total £1,350.38 as per the Directors' Statement of Affairs. No claims have been agreed and will only adjudicated in the event that there are sufficient funds to make a distribution to the unsecured creditors.
- 3.5 Whilst there are insufficient monies in hand to make a distribution at present, the future dividend prospects for unsecured creditors in this case depend on the level of realisations achieved from the overdrawn Director's Loan Account balances. Should a dividend become payable to unsecured creditors, my office will issue notice of the same.

**4 Liquidator's Remuneration**

- 4.1 Creditors approved that the Liquidator be remunerated on the basis of a fixed fee of £12,000 plus VAT and that the Liquidator is authorised to draw his remuneration on account of costs incurred as and when funds permit. My fees information was originally provided to creditors when the basis of my remuneration was approved and was based on the information available to me at that time.
- 4.2 The Liquidator has drawn £421.67 plus VAT against this set fee approved by creditors.
- 4.3 In addition, the Liquidator is entitled to draw a realisation fee amounting to 40% of the total recoveries made in respect of all assets (excluding cash at bank and in hand) disclosed on the Directors' Statement of Affairs.
- 4.4 Furthermore, the Liquidator is entitled to draw a realisation fee amounting to 40% of the total recoveries made in respect of any property not anticipated in the Directors' Statement of Affairs or any rights of action bestowed on him by the relevant sections of the Insolvency Act 1986.
- 4.5 The basis of recharging category 2 disbursements incurred by the Liquidator is fixed and payable on the basis of the firm's published tariff, disclosed to creditors prior to the meeting and the Liquidator is authorised to be reimbursed such disbursements as and when funds permit.
- 4.6 The Liquidator has made the following realisation upon which the creditors approved a percentage to be taken as remuneration. Details of the realisations to date and associated remuneration drawn on account of those realisations is set out below:

Asset category	Value of assets realised in period	Total value of assets realised since appointment	Remuneration % agreed	Total fees invoiced to date	Fees not yet drawn
Overdrawn Director's Loan Account	£NIL	£NIL	40% of assets disclosed in the Director's Statement of Affairs (excluding cash at bank and in hand)	£NIL	£N/A
Other debtor – Asset Sale	£1,000.00	£1,000.00	40% of assets disclosed in the Director's Statement of Affairs (excluding cash at bank and in hand)	£NIL	£400.00

- 4.7 At the date of this report, it is still considered that the fee basis agreed is sufficient and I am not seeking to agree any increase and/or other revision with creditors at this time.
- 4.8 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from [www.aabrs.com/resources/creditors-guides](http://www.aabrs.com/resources/creditors-guides).
- 4.9 Attached as Appendix B, is additional information in relation to the Liquidator's fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

## **5 Creditors' Rights**

- 5.1 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) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report.
- 5.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive.

## **6 Next Report**

- 6.1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final account.

**PAGEBASE LIMITED T/A CUTTING EDGE - IN LIQUIDATION**

- 6.2 If you have any queries in relation to the contents of this report, I can be contacted by telephone on 020 8444 2000 or by email at [info@aabrs.com](mailto:info@aabrs.com).

Yours faithfully,



**Simon Renshaw**  
Liquidator

Appendix A

**Pagebase Limited T/A Cutting Edge  
(In Liquidation)  
Liquidator's Summary of Receipts & Payments**

Statement of Affairs £		From 24/08/2016 To 23/08/2017 £	From 24/08/2016 To 23/08/2017 £
	<b>ASSET REALISATIONS</b>		
5,000.00	Cash in Hand - Sale of Assets	5,000.00	5,000.00
1,000.00	Other Debtor - Sale of Assets	1,000.00	1,000.00
Uncertain	Overdrawn Directors' Loan Accounts	NIL	NIL
	Bank Interest Gross	0.37	0.37
		<u>6,000.37</u>	<u>6,000.37</u>
	<b>COST OF REALISATIONS</b>		
	Specific Bond	40.00	40.00
	R4.62 - Expenses of Creditors Meeting	77.00	77.00
	Statement of Affairs Fee	5,000.00	5,000.00
	Liquidators Fees	421.67	421.67
	Storage Costs	50.00	50.00
	Statutory Advertising	154.00	154.00
		<u>(5,742.67)</u>	<u>(5,742.67)</u>
	<b>UNSECURED CREDITORS</b>		
(3,599.38)	Trade & Expense Creditors	NIL	NIL
(57,715.83)	Banks/Institutions	NIL	NIL
(10,830.33)	HM Revenue & Customs (PAYE)	NIL	NIL
(8,599.62)	HM Revenue & Customs (Corporation	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>DISTRIBUTIONS</b>		
(1.00)	Ordinary Shares	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(74,746.16)</u>		<u><b>257.70</b></u>	<u><b>257.70</b></u>
	<b>REPRESENTED BY</b>		
	Bank 1 Deposit		257.70
			<u><b>257.70</b></u>

## Appendix B

### Additional Information in Relation to the Liquidator's Fees, Expenses & Disbursements

#### 1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 On this case we have used the services of the following sub-contractors:

Service (s)	Provider	Basis of fee arrangement	Cost to date
Investigation into a potential rates refund	CAPA Ltd	Percentage of recoveries	£Nil
Debt Collection Services	Grace and Good Ltd	Percentage of recoveries	£Nil

#### 2 Professional Advisors

- 2.1 On this assignment, we have not used the services of any professional advisors.

#### 3 Liquidator's Expenses & Disbursements

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the Liquidation was provided to creditors when the basis of my fees were approved, a copy of which is set out below:

Expense	Estimated cost - £
Specific penalty bond	250.00
Agents' costs for adjudication	500.00
Statutory advertising	300.00
<b>Category 2 disbursements</b>	
Postage – 1 <sup>st</sup> class (circulars only, per copy & depending on size) – 50p – £1.00	14.00
Postage – 2nd class (circulars only, per copy & depending on size) – 40p – 75p	23.00
Photocopying (circulars only, per page) – 15p	25.50
Room hire (per hour, minimum charge £25.00) - £25.00	50.00
Mileage (Insolvency Practitioner and business staff mileage re-imbursement at HMRC approved rates) – 45p/mile	90.00
Storage (per box per year) - £50	250.00

**Current position of Liquidator's expenses**

- 3.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	<b>Paid in the Period £</b>	<b>Incurred but not paid to date £</b>	<b>Total anticipated cost £</b>
Specific penalty bond (1)	40.00 plus VAT	NIL	40.00 plus VAT
R4.62 – expenses of creditors' meeting – advertising (2)	77.00 plus VAT	NIL	77.00 plus VAT
R4.62 – expenses of creditors' meeting – travel	88.00	-	88.00
Statutory advertising (2)	154.00 plus VAT	NIL	154.00 plus VAT
<b>Category 2 disbursements</b>			
Storage costs (3)	50.00 plus VAT	NIL	150.00 plus VAT

- (1) The bond premium is a fixed charge dependent on the level of security required and is subject to increase where the level of realisations into the estate exceeds £10,000.
- (2) My initial estimate made a provision of £300 plus VAT for statutory advertising based on four adverts at £75 plus VAT each. However, whilst the estimate remains the same, due to changes in both statutory advertising requirements and pricing structures, it is now broken down as follows: three adverts already placed and charged at £77 plus VAT each (notice of the initial creditors' meeting, notice of the winding up resolution and notice of my appointment) and a provision for the advertisement of a Notices of Intended Dividend at £68.70 plus VAT.
- (3) One box of records has been received, incurring a charge of £50.00 plus VAT. The total estimate of £250.00 plus VAT has been revised down to £150.00 plus VAT on the assumption that the case will remain open for 2.5 years.
- 3.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.
- 3.4 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

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## Notice of progress report in voluntary winding up

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Jenni Lane**

Company name **AABRS Limited**

Address **Langley House**

**Park Road**

Post town **London**

County/Region

Postcode **N 2 8 E Y**

Country

DX

Telephone **020 8444 2000**

**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

**All information on this form will appear on the public record.**

**Where to send**

**You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**