

# AM10

## Notice of administrator's progress report



Companies House

THURSDAY



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13/08/2020

#373

COMPANIES HOUSE

### 1 Company details

Company number 0 4 3 3 2 1 4 6  
Company name in full SGL Realisations Limited (formerly Service Graphics Limited)

→ Filling in this form  
Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Allan Watson  
Surname Graham

### 3 Administrator's address

Building name/number c/o Duff & Phelps Ltd.  
Street 35 Newhall Street  
Post town Birmingham  
County/Region  
Postcode B 3 3 P U  
Country

### 4 Administrator's name ①

Full forename(s) Matthew  
Surname Ingram

① Other administrator  
Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number c/o Duff & Phelps Ltd.  
Street 35 Newhall Street  
Post town Birmingham  
County/Region  
Postcode B 3 3 P U  
Country

② Other administrator  
Use this section to tell us about  
another administrator.

AM10

Notice of administrator's progress report

**6** Period of progress report

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

**7** Progress report

☒ I attach a copy of the progress report

**8** Sign and date

Administrator's  
signature

Signature

X



X

Signature date	<sup>d</sup> 1	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 8	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0
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# AM10

## Notice of administrator's progress report



### 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 **Edward Stout**

Company name **Duff & Phelps Ltd.**

Address **The Shard**

**32 London Bridge Street**

Post town **London**

County/Region

Postcode **S E 1 9 S G**

Country

DX

Telephone **+44 (0) 20 7089 4700**



### 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)

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DUFF & PHELPS

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# Progress Report to Creditors

13 August 2020

**SGL Realisations Limited (formerly  
Service Graphics Limited)  
(In Administration)**

Joint Administrators' Progress Report for the period from 18 January 2020  
to 17 July 2020

**Duff & Phelps Ltd.**  
The Shard  
32 London Bridge Street  
London  
SE1 9SG

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## **1. Introduction**

The Joint Administrators were appointed on 18 January 2019 by the Director of the Company.

This Progress Report provides an update on the Administration of the Company. It should be read in conjunction with the Previous Reports and Proposals Joint Administrators' previous progress reports.

The Joint Administrators' have also explained their future strategy for the Administration and how likely it is that they will be able to pay each class of creditor.

You will find other important information in this Progress Report such as the costs the Joint Administrators have incurred.

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 8.

## **2. Creditor summary**

This Progress Report covers the Reporting Period, together with the Cumulative Period.

### **Summary of Proposals**

- There were no major amendments to or deviations from these Proposals.
- As previously advised, the Joint Administrators' Proposals for achieving the purpose of the Administration, namely achieving 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) were deemed approved on 25 March 2019.

### **Progress to Date**

- This Report should be read in conjunction with the Previous Reports and the Proposals.
- The debtors ledger is specifically pledged to the Secured Creditor under the terms of an invoice discounting facility. A small number of balances are still being pursued which are believed to be collectable.
- During the Reporting Period, the Joint Administrators have liaised with third party suppliers to settle costs and expenses incurred during the Cumulative Period.
- The Joint Administrators continue to manage the affairs of the Company and anticipate that the Administration will close before the extended end date in January 2021.

### **Outcome for Creditors**

- To date, the Secured Creditor has received distributions of £655,376 from the Administrators' realisations of assets subject to fixed charge security. The Secured Creditor is not expected to recover its indebtedness (including interest and charges) in full, due to cross guarantees provided by the Company.
- There are insufficient realisations to enable a distribution to Preferential Creditors.
- There are insufficient realisations to enable a distribution to Unsecured Non-Preferential Creditors from the Prescribed Part or otherwise.

Please note, this Progress Report provides creditors with an account of the progress of the Administration of the Company in the Reporting Period. The Previous Reports and the Proposals issued to the Company's creditors are available to view via the Creditors' Portal and paper copies can be provided free of charge by writing to [Joss.Mitchison@DuffandPhelps.com](mailto:Joss.Mitchison@DuffandPhelps.com).

Unless otherwise stated, all amounts in this Progress Report and appendices are stated net of VAT.

Please also note that an important legal notice about this Progress Report to Creditors is attached at Appendix 9.

### **3. Progress of the Administration**

This section provides an update on the Joint Administrators' strategy for the Administration and progress to date.

#### **3.1 Strategy and Progress to Date**

The purpose of an Administration is to achieve one of the following hierarchical objectives:

- Rescuing the Company as a going concern;
- Achieving 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); or
- Realising property in order to make a distribution to one or more secured or preferential creditors.

The Joint Administrators consider the second objective has been achieved via the sale of business and assets to the Purchaser and CSM Live. Please refer to the Previous Reports for further detail in this regard.

In any event, as confirmed in the Previous Reports, the third objective has been achieved following the distribution of funds to the Secured Creditor in the Cumulative Period.

#### **3.2 Asset Realisations**

Realisations during the Reporting Period are set out in the Receipts and Payments Accounts at Appendix 3.

Summaries of the most significant realisations during the Administration are provided below, however the Joint Administrators advise creditors to refer to the Previous Reports for further detail on previously reported asset realisations.

##### **3.2.1 Book Debts**

As previously reported, the Company operated an invoice discounting facility with the Secured Creditor. As such, the Company's book debts are specifically pledged to the Secured Creditor.

The Secured Creditor advised that the actual value on the ledger was £4,861,157. A further £812,155 of invoices for the pre-Administration period were raised following the Joint Administrators' appointment. intercompany debt of £849,256 was included in the ledger and was deemed uncollectable.

The Secured Creditor continues to collect book debts. During the Reporting Period, £46,022 has been collected directly by the Secured Creditor and £8,500 has been received into the Administration Estate.

During the Cumulative Period, a total of £3,860,397 has been collected of which £128,722 was received into the Administration estate, with the balance received directly by the Secured Creditor.

A small number of book debts totaling £42,055 are still being pursued as these are believed to be collectable. The Joint Administrators will provide a further update in the next progress report.



### **3.2.2 Pre-Administration Tax Losses**

The Joint Administrators previously identified that tax losses were available for sale to the Company's previous parent company. However, the previous parent has now confirmed that it has no appetite to acquire losses from the Company (although it has acquired losses from related company, SP Group Limited (In Administration)). Given the nature of this asset, it is not possible to realise value with any other party, therefore there will be no realisation from this source.

### **3.2.3 Investigations**

The Joint Administrators have reviewed the affairs of the Company to find out if there were any actions which could be taken against third parties to increase recoveries for creditors. The review has been completed and there are no outstanding lines of enquiry.

The Joint Administrators have a statutory obligation to file a report with BEIS concerning the conduct of all directors of the Company that served in the three years prior to the Joint Administrators appointment. The Joint Administrators have filed their confidential report with BEIS regarding the conduct of the Director of the Company. The content of this report is confidential and has been submitted to the Insolvency Practitioners Compliance Unit.

Should any of the Company's creditors have information concerning the Company's affairs that they would like to bring to the Joint Administrators' attention, please contact Joss Mitchison of my office.

### **3.3 Costs**

Payments made in the Reporting Period are set out in the Receipts and Payments Accounts at Appendix 3.

The Joint Administrators have detailed the costs incurred during the Reporting Period, whether paid or unpaid, in the Schedule of Expenses at Appendix 4.

## **4. Outcome for Creditors**

### **4.1 Secured Creditor**

In consideration for the monies advanced under the invoice discounting and plant and machinery loan agreement, the Company granted the Secured Creditor a debenture, which confers fixed and floating charges over all of the assets of the Company.

As at the Appointment Date, the balance due to the Secured Creditor from the Company was £728,423 and is subject to accruing interest, charges and termination fees. The Secured Creditor has confirmed that charges and fees will be applied, the quantum of which will be confirmed following the conclusion of the book debt collections. Any fees and charges will be subject to review and for the Joint Administrators to confirm validity in accordance with the facility and security agreements.

The Company has also guaranteed further debts due to the Secured Creditor from other entities in the Group. The level of overall debt due to the Secured Creditor, together with the above-noted charges that are to be quantified is such that the Joint Administrators believe that the Secured Creditor will not be repaid its Group indebtedness in full. As such, the Company will be liable for a share of the Group indebtedness in conjunction with other Group entities.

The Secured Creditor continues to collect book debts therefore is not in a position to confirm its final account of Group indebtedness and fees / charges. It is anticipated that collections will cease shortly, and the Joint Administrators will be in a position to report the final position in the next progress report.

During the Cumulative Period, the Secured Creditor has received an interim distribution of £655,376 from the realisations covered by the Secured Creditors' fixed charge. No further distributions have been made in the Reporting Period.

A further update will be provided in the next progress report.

#### **4.2 Preferential Creditors**

As previously reported, the employees based at Glasgow and Skelmersdale were transferred pursuant to TUPE to the Purchaser. Accordingly, these employees will not have a claim in the Administration.

The employees who were made redundant may have preferential claims for certain entitlements.

According to the SOA, it was anticipated that preferential claims will total £52,133. This amount related to arrears in wages (capped at £800 per person), accrued holiday pay and certain unpaid pension contributions.

The Joint Administrators have not yet received a claim from the RPS.

There are insufficient funds available from floating charge realisations to enable a distribution to preferential creditors, due to the costs of the Administration.

#### **4.3 Unsecured Non-Preferential Creditors**

According to the SOA, unsecured non-preferential creditors total £7,974,940 and claims received to date total 2,105,608.

There are insufficient realisations after the payment of costs, to enable a distribution to the non-preferential unsecured creditors of the Company.

#### **4.4 Prescribed Part**

The Prescribed Part is calculated as a percentage of net property as follows:

Net property less than £10,000.	50% unless the Joint Administrator considers that the costs of making a distribution to the non-preferential unsecured creditors would be disproportionate to the benefits.
Net property greater than £10,000.	50% up to £10,000 plus 20% thereafter to a maximum of £600,000.

The Company granted a floating charge to the Secured Creditor on 2 March 2018 and, therefore, the Prescribed Part provisions will apply. However, there are insufficient realisations, after the payment of costs, to enable a distribution via the Prescribed Part to the unsecured non-preferential creditors.

However, creditors who wish to do so, may submit their claim via the Creditor's Portal. Details of how to access the portal were included in the Joint Administrators letter dated 25 January 2019.

Should you require this information to be reissued to you then please contact my colleague Joss Mitchison via email at [Joss.Mitchison@DuffandPhelps.com](mailto:Joss.Mitchison@DuffandPhelps.com).

#### **5. Other Matters**

##### **5.1 Joint Administrators' Receipts and Payments Accounts**

Detailed Receipts and Payments Accounts are shown in Appendix 3, detailing the costs and realisations for the Reporting Period and Cumulative Period.

##### **5.2 Statement of Creditors' Rights**

Further information regarding the remuneration and disbursements of the Joint Administrators, including Statement of Creditors' Rights are provided at Appendix 7.

#### **6. Joint Administrators' Fees, Expenses and pre-Administration Costs**

##### **6.1 Fees and Expenses**

###### **6.1.1 Time Costs**

###### **Charge out rate increases with effect from 1 February 2020**

Upon a review of our hourly rates, inflation and industry averages, Duff & Phelps Ltd.'s hourly charge out rates have been revised to reflect market rates. Rate changes apply to all appointments held by employees of Duff & Phelps with effect from 1 February 2020.

Time has been charged in six-minute units. Details of the time charged for the Reporting Period are attached at Appendix 5.

Time costs incurred in the Cumulative Period total £727,596, which represents 2,371 hours at an average hourly rate of £307.

Time costs incurred in the Reporting Period total £77,878, which represents 230 hours at an average hourly rate of £339.

These costs exceeded the Fee Estimate provided in the Proposals in the sum of £500,044 which was approved by the Secured Creditor in the previous reporting period.

The Joint Administrators have exceeded their fee estimate by £227,552 due to:

- General creditor queries regarding progress of the Administration;
- Providing periodic updates to the Secured Creditor in respect of the Administration and detailing required funding requirements;
- Assisting the Secured Creditor with book debt collections;
- Dealing with and reconciling book debts receipts due to the Purchaser;
- Settling the Administration expenses;
- Conducting Administration and Planning matters as detailed in Appendix 6; and
- Liaising with Kin + Carta over the potential sale of pre-Administration tax losses.

In accordance with SIP 9, the Joint Administrators have provided further narrative detail of the time costs incurred at Appendix 6.

It is anticipated that a further £25,000 of time costs will be incurred in progressing the Administration to closure.

#### **6.1.2 Fees**

In the Reporting Period, the Joint Administrators have not drawn any remuneration.

Given that the time incurred has exceeded the approved Fee Estimate the Joint Administrators will take a decision as to whether to request a revision of the Fee Estimate from the Secured Creditor and will provide an update in the next progress report. The final quantum of Joint Administrators' fees is subject to agreement with the Secured Creditor and will be confirmed in the next report.

The fees drawn by Joint Administrators are shown in the Receipts and Payments Accounts at Appendix 3.

#### **6.1.3 Expenses**

Details of the expenses charged for the Reporting Period are attached at Appendix 4.

Expenses incurred in the reporting period total £24,761.

#### **6.1.3 Disbursements**

Category 2 Disbursements of £1,846 have been drawn in the Reporting Period in accordance with the fee approval and were incurred in the previous reporting period.

The Joint Administrators' expenses and disbursements are detailed at Appendix 5.

#### 6.1.4 Additional Information

Also attached at Appendix 6 is a Fees Narrative, being a summary of the work carried out to assist creditors in understanding the progress of the Administration, the associated costs and expenses of the related activities and the financial benefit to creditors.

Details of how to obtain further information relating to the fees and disbursements of the Joint Administrators is set out in Appendix 7.

#### 6.2 Pre-Administration Costs

Pre-Administration costs			
	Paid (£)	Unpaid (£)	Total (£)
Duff & Phelps - Business Advisory Costs	0	30,475	30,475
Duff & Phelps pre-Administration Costs	154,875	0	154,875
Legal fees	22,522	0	22,522
Valuation Agents Fees	15,875	0	15,875
Employment Specialists	750	0	750
Property Agents	1,250	0	1,250
<b>Total</b>	<b>195,272</b>	<b>30,475</b>	<b>225,747</b>

On 3 July 2019, the Pre-Administration costs were approved by the Secured Creditor to be paid out of the assets of the Company.

Duff & Phelps have drawn down their pre-Administration costs during the Cumulative Period with the exception of the Business Advisory costs which remain unpaid.

#### 7. Future Strategy

##### 7.1 Future conduct of the Administration

The Joint Administrators will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the Administration. This will include but not be limited to:

- Paying outstanding costs of the Administration;
- Dealing with other statutory matters and duties including accounting for VAT and completing corporation tax returns;
- Continuing to assist in the collection of pre-Administration book debts; and
- Continuing to liaise with Secured Creditor regarding the fees and charges to be levied and the Group indebtedness.

##### 7.2 Extension of the Administration

An Administration automatically comes to an end after one year, unless an extension is granted by the Court or with the Creditors' consent.

The Joint Administrators previously requested that the period of Administration be extended by 12 months to 17 January 2021. Confirmation of the extension was uploaded to the creditor portal on 17 January 2020.

### 7.3 Future Reporting

The Joint Administrators will provide a further progress report which is likely to be their final report no later than 17 January 2021 or earlier if the Administration has been completed prior to that time.

If you require further information or assistance, please do not hesitate to contact Joss Mitchison at [Joss.Mitchison@DuffandPhelps.com](mailto:Joss.Mitchison@DuffandPhelps.com).



**Allan Graham**  
Joint Administrator

Enc.

The affairs, business and property of the Company are being managed by the Joint Administrators, Allan Watson Graham and Matthew Ingram, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

## Appendix 1 – Statutory Information

### COMPANY INFORMATION

<b>Company and trading name</b>	SGL Realisations Limited (formerly Service Graphics Limited)	
<b>Date of incorporation</b>	30 November 2001	
<b>Registered Number</b>	04332146	
<b>Company Director(s)</b>	Landry Kouakou	
<b>Company Secretary</b>	None	
<b>Shareholders</b>	Selmerbridge Print Vehicles Limited (In Administration)	
<b>Trading address</b>	Units E1-4 Barwell Business Park Leatherhead Road Chessington	
<b>Registered office</b>	<b>Current:</b> The Shard 32 London Bridge Street London SE1 9SG	<b>Former:</b> Units E1-4 Barwell Business Park Leatherhead Road Chessington KT9 2NY
<b>Any Other trading names</b>	Service Graphics	

### ADMINISTRATION INFORMATION

<b>Administration Appointment</b>	The Administration appointment granted in High Court of Justice Birmingham, 6 of 2019
<b>Appointor</b>	Director
<b>Date of Appointment</b>	18 January 2019
<b>Joint Administrators</b>	Allan Graham and Matt Ingram
<b>Functions</b>	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1
<b>Current Administration expiry date</b>	17 January 2021
<b>Prescribed part</b>	The prescribed part is applicable in this case. It has been taken into account when determining the dividend prospects for Unsecured Creditors (Section 4).
<b>Application of EC Regulations</b>	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.

## Appendix 2 – Summary of Approved Proposals

- 1.1. The Joint Administrators' Proposals shall be deemed approved by the creditors on the expiry of the period in which a decision can be requisitioned by creditors as detailed in the Appendix 8.
- 1.2. The Joint Administrators' Proposals, subject to being approved are:
  - 1.2.1. That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect.
  - 1.2.2. That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration.
  - 1.2.3. That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar of Companies to the effect that the Company has no remaining property which might permit a distribution to its creditors, at which stage the Administration will cease.
  - 1.2.4. That the Joint Administrators, where they consider that there are funds available to be distributed to the unsecured creditors (other than under the Prescribed Part) take the necessary steps to put the Company into either CVL or into compulsory liquidation as they deem appropriate. It is proposed that the Joint Administrators, currently Allan Watson Graham and Matthew Ingram of Duff & Phelps would act as Joint Liquidators should the Company be placed into CVL. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 3.60(6)(b) of the Rules creditors may nominate a different person as the proposed liquidator, provided the nomination is received at this office prior to the approval of these proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them.
- 1.3. The Joint Administrators will be seeking specific agreement to the following proposals from the Secured Creditor:
  - 1.3.1. That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing.
  - 1.3.2. That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration.
  - 1.3.3. That the Joint Administrators' Fee Estimate in the total sum of £500,044 for the period to 17 January 2020 be approved.
  - 1.3.4. That the Joint Administrators be authorised to draw their Category 2 Disbursements.
- 1.4. And also, the following resolution (which is not part of the Proposals):



- 1.4.1. That the unpaid pre-Administration Costs totalling £225,747 plus VAT as detailed in the Joint Administrators' statement of pre-Administration costs is approved for payment as an expense of the Administration, as follows:

### **Appendix 3 – Joint Administrators' Receipts and Payments Accounts**

**SGL Realisations Limited (formerly Service Graphics Limited) (In Administration)**  
**Joint Administrators' Receipts and Payments Accounts**

Statement of Affairs		For the Reporting Period from 18 January 2020 to 17 July 2020	For the Cumulative Period from 18 January 2019 to 17 July 2020
(£)		(£)	(£)
609,637.00	<b>Secured Assets</b>	0.00	609,637.00
377,637.00	Plant & Machinery	0.00	377,636.00
	Goodwill	0.00	1.00
	Intellectual Property	0.00	1.00
3,900,000.00	Book Debts	8,500.00	128,722.15
	Gross Bank Interest - Fixed Account	14.52	108.99
4,887,274.00		8,514.52	1,116,105.54
	<b>Cost of Realisations</b>		
	Agents / Valuers Fees	0.00	(11,260.40)
	Legal Fees	(5,106.10)	(56,461.50)
	Legal Disbursements	(880.25)	(1,011.63)
	Paragon CC Payments	0.00	(39,994.55)
	Debt Collection Costs (Subcontractors)	0.00	(8,363.00)
	Debt Collection Costs (Bonus Payment)	0.00	(17,100.00)
	Solicitors' Bank Charges	0.00	(50.82)
	Fixed Bank Charges	(3.15)	(15.40)
0.00		(5,989.50)	(134,257.30)
	<b>Secured Creditors</b>		
	Chargeholder (1)	0.00	(655,375.52)
0.00		0.00	(655,375.52)
	<b>Asset Realisations</b>		
	Bank Interest Gross	145.27	1,096.73
	Book Debts (due to Paragon)	85,896.42	731,190.71
	Business Rates Refund	0.00	5,113.80
	Contracts	0.00	1.00
	Contribution to Costs (Sitara)	2,524.20	720,703.43
36,503.00	Fixtures & Fittings	0.00	7,500.00
	I.T. Equipment	0.00	4,001.00
	LTO Income - Utilities Reimbursement	0.00	28,267.23
	LTO Income (Business Rates)	0.00	54,290.04
	LTO Income (Rent and Service Charges)	0.00	192,550.14
1,500.00	Motor Vehicles	0.00	1,500.00
	Office Furniture & Equipment	0.00	29,000.00
	Spare Parts	0.00	1.00
45,898.00	Stock	0.00	45,897.60
3,825.00	Sundries	0.00	3,835.00
254,000.00	Tax Refunds	0.00	58.45
	Trading Surplus/(Deficit)	(16,804.47)	(80,201.47)
	Work in Progress	0.00	1.00
	World Pay Client Account Return Fund	0.00	1,133.45
341,726.00		71,661.37	1,735,939.11
	<b>Cost of Realisations</b>		
	Accountant's Fees	(6,000.00)	(6,000.00)
	Agents / Valuers Fees	(4,300.00)	(24,012.20)
	Bank Charges	(24.65)	(329.65)
	Book Debts (NewCo)	(85,896.42)	(731,190.51)
	Data Room	0.00	(289.00)
	Employee Expenses (Post Administration)	0.00	(240.35)
	Employment Rights Consultants	0.00	(11,950.00)
	Legal Fees (Eversheds Sutherland)	0.00	(4,000.00)
	Insurance of Assets	(178.65)	(579.62)
	IT Consultancy Fees	0.00	(49,290.07)
	Joint Administrators' Disbursements	0.00	(1,846.25)
	Joint Administrators' Remuneration	0.00	(260,000.00)
	Legal Disbursements	(160.04)	(160.04)
	Legal Fees	(8,135.78)	(18,197.28)
	Net Payroll (post-Administration)	0.00	(68,590.00)
	Net Payroll (pre-Administration)	0.00	(231,070.49)
	PAYE & NI	0.00	(43,979.57)
	Payment Refunds	0.00	(3,871.78)
	Payroll Services	0.00	(14,674.06)
	Petitioning Creditor Costs	0.00	(2,802.25)
	Pre-Administration Remuneration	0.00	(154,875.00)
	Property Agent's Fees	0.00	(1,250.00)
	Rents Payable	(15,709.71)	(186,937.57)
	Stationery & Postage	0.00	(1,207.10)
	Statutory Advertising	0.00	(84.60)
	Storage Costs	0.00	(7,566.62)
	Sub Contractor Costs	0.00	(850.00)
	Utility Payments	0.00	(35,488.30)
0.00		(120,405.25)	(1,861,332.31)
	<b>Unsecured Creditors</b>		
(11,141.00)	Prescribed Part	0.00	0.00
(11,141.00)		0.00	0.00
5,217,859.00		(46,218.86)	201,079.52
	<b>Represented By</b>		
	Fixed Bank account		23,164.45
	Fixed charge VAT Control account		2,252.08
	Floating / Main Current Account		55,943.68
	General VAT Control Account		117,625.84
	VAT Receivable		2,093.47
			201,079.52

**SGL Realisations Limited (formerly Service Graphics Limited) (In Administration)**  
**Joint Administrators' Trading Receipts and Payments Accounts**

Statement of Affairs		For the Reporting Period	For the Cumulative Period
		from 18 January 2020 to 17 July 2020	from 10 January 2019 to 17 July 2020
(£)	Trading Expenditure	(£)	(£)
	Rates	16,904.47	16,904.47
	Sub Contractor Installation Work	NIL	73,297.00
		<u>(16,904.47)</u>	<u>(90,201.47)</u>
	Trading Surplus/(Deficit)	<u>(16,904.47)</u>	<u>(90,201.47)</u>

**Appendix 4 – Schedule of Expenses**

[illegible]

**Steps to Enhanced Express Shipping**

1. **Identify the customer's needs.** The first step in the process is to identify the customer's needs. This can be done by asking the customer a series of questions, such as "What is the purpose of the shipment?" and "What is the deadline for the shipment?"

2. **Assess the customer's budget.** The second step is to assess the customer's budget. This can be done by asking the customer "What is your budget for this shipment?"

3. **Recommend the best shipping option.** The third step is to recommend the best shipping option. This can be done by comparing the different shipping options and their costs.

4. **Confirm the shipping details.** The fourth step is to confirm the shipping details. This can be done by asking the customer "What is the address of the recipient?" and "What is the contact information for the recipient?"

5. **Track the shipment.** The fifth step is to track the shipment. This can be done by providing the customer with a tracking number and a link to the tracking page.

6. **Deliver the shipment.** The sixth step is to deliver the shipment. This can be done by sending the shipment to the recipient's address.

7. **Follow up with the customer.** The seventh step is to follow up with the customer. This can be done by asking the customer "How was the shipment?" and "Are you satisfied with the service?"

8. **Provide feedback.** The eighth step is to provide feedback. This can be done by asking the customer "What do you think of our service?" and "What can we do to improve our service?"

9. **Improve the service.** The ninth step is to improve the service. This can be done by using the feedback to make changes to the service.

10. **Repeat the process.** The tenth step is to repeat the process. This can be done by providing the customer with the same service for their next shipment.

## **Appendix 5 – Analysis of Time Charged**

**SGL Realisations Limited (formerly Service Graphics Limited) (In Administration)**
**Analysis of the Joint Administrators' Time Costs for the Period 18/01/2019 to 17/07/2020 (the "Cumulative Period")**

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case Review and Case Diary Management	0.00	5.70	29.15	18.10	0.00	52.95	16,250.00	306.89
Cashiering and Accounting	3.60	30.70	72.10	147.30	0.00	253.70	60,660.00	270.03
Dealings with Directors and Management	0.00	1.90	0.10	1.00	0.00	3.00	1,226.00	408.67
IPS Set Up and Maintenance	0.00	0.00	0.70	3.60	0.00	4.30	959.00	223.02
Insurance	0.00	0.00	5.90	2.80	0.00	8.70	2,444.00	280.92
Statement of Affairs	0.00	1.50	5.50	3.70	0.00	10.70	3,121.00	291.68
Statutory Matters (Meetings, Reports and Notices)	31.50	21.20	103.35	100.70	0.00	256.75	83,917.50	326.85
Strategy, Planning and Control	53.30	63.90	85.95	106.60	0.00	309.75	109,602.00	353.84
Tax Compliance / Planning	0.00	8.80	23.70	40.30	0.00	72.80	20,117.50	276.34
Creditors								
Communications with Creditors / Employees	0.00	10.50	58.90	225.00	0.00	294.40	59,717.00	202.84
Creditors Committee	0.00	0.00	0.40	0.00	0.00	0.40	128.00	320.00
Non Preferential Creditor claims adjudication & dist'n	0.00	0.00	1.90	0.00	0.00	1.90	608.00	320.00
Non Preferential Creditors / Employee Claims Handling	0.00	1.30	29.10	14.90	0.00	45.30	11,960.50	264.03
Preferential claims adjudication & distribution	0.00	0.00	0.20	0.00	0.00	0.20	64.00	320.00
Secured Creditors	0.00	59.70	56.10	0.00	0.00	115.80	49,169.50	424.61
Investigations								
CDDA Reports and Communication	0.00	4.50	29.90	48.50	0.00	82.90	20,464.50	246.86
Financial Review and Investigations	0.00	0.00	20.60	30.00	0.00	50.60	13,342.00	263.68
Forensic Sales Ledger Investigation	0.00	0.00	0.00	2.20	0.00	2.20	264.00	120.00
Realisation of Assets								
Book Debts	10.70	61.85	49.10	52.90	0.00	174.55	66,100.00	378.69
Freehold and Leasehold Property	0.00	6.40	8.60	22.70	0.00	37.70	9,937.50	263.59
Hire Purchase and Lease Assets	0.00	0.00	2.80	56.30	0.00	59.10	11,638.00	196.92
Other Intangible Assets	6.50	0.30	2.90	1.90	0.00	11.60	5,355.50	461.68
Other Tangible Assets	0.00	0.90	12.90	41.70	0.00	55.50	12,401.50	223.45
Plant & Machinery & Fixtures & Motor Vehicles	6.00	26.30	9.20	0.00	0.00	41.50	19,343.00	466.10
Pre-Appointment Tax Reclaims	0.00	0.00	4.50	0.00	0.00	4.50	1,440.00	320.00
Sale of Business	3.80	42.00	13.70	2.00	0.00	61.50	27,611.50	448.97
Stock & Work in Progress	3.20	0.00	0.20	2.20	0.00	5.60	2,417.00	431.61
Trading								
Trading - Accounting	0.00	1.20	0.00	2.40	0.00	3.60	1,353.00	375.83
Trading - Employees	0.00	19.20	41.40	21.00	0.00	81.60	26,464.00	324.31
Trading - Operations	0.00	60.60	59.00	35.30	0.00	154.90	55,172.50	356.18
Trading - Retention of Title & Claims handling	0.00	2.90	20.70	88.90	0.00	112.50	26,348.00	234.20
Total Hours:	118.60	431.35	748.55	1,072.00	0.00	2,370.50		306.94
Total Fees Claimed (£):	69,691.00	216,939.00	244,188.00	196,778.00	0.00		727,596.00	

**Category 2 Disbursements**

In the Cumulative Period, the Joint Administrators have incurred total disbursements of £1,846.25 (defined as Category 2 Disbursements in the Statement of Insolvency Practice 9).



**SGL Realisations Limited (formerly Service Graphics Limited) (In Administration)**

Analysis of the Joint Administrators' Time Costs for the Period 18/01/2020 to 17/07/2020 (the "Reporting Period")

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case Review and Case Diary Management	0.00	1.10	5.15	1.00	0.00	7.25	2,892.00	398.90
Cashiering and Accounting	0.00	4.40	15.30	37.00	0.00	56.70	16,764.50	295.67
IPS set up & Maintenance	0.00	0.00	0.10	0.20	0.00	0.30	78.00	260.00
Insurance	0.00	0.00	0.20	0.10	0.00	0.30	80.00	266.67
Statutory Matters (Meetings, Reports and Notices)	0.00	2.50	15.35	22.40	0.00	40.25	13,041.00	324.00
Strategy, Planning and Control	2.50	6.90	10.95	7.70	0.00	28.05	12,358.50	440.59
Tax Compliance / Planning	0.00	2.90	9.30	14.20	0.00	26.40	8,376.50	317.29
<b>Creditors</b>								
Communications with Creditors / Employees	0.00	0.00	2.10	7.80	0.00	9.90	2,195.00	221.72
Non Preferential Creditors / Employee claims handling	0.00	0.10	0.70	0.50	0.00	1.30	388.50	
Secured Creditors	0.00	3.30	4.60	0.00	0.00	7.90	3,942.50	499.05
<b>Investigations</b>								
Financial Review and Investigations	0.00	0.00	0.00	13.50	0.00	13.50	3,620.00	268.15
<b>Realisation of Assets</b>								
Book Debts	0.00	7.80	3.20	16.10	0.00	27.10	10,848.00	400.30
Freehold and Leasehold Property	0.00	0.10	1.70	0.20	0.00	2.00	768.50	384.25
Other Intangible Assets	0.00	0.00	0.10	0.30	0.00	0.40	122.00	305.00
<b>Trading</b>								
Trading - Accounting	0.00	0.70	0.00	0.00	0.00	0.70	452.00	645.71
Trading - Retention of Title & Claims handling	0.00	0.00	0.00	8.30	0.00	8.30	1,950.50	235.00
<b>Total Hours:</b>	<b>2.50</b>	<b>29.80</b>	<b>68.75</b>	<b>129.30</b>	<b>0.00</b>	<b>230.35</b>		<b>338.08</b>
<b>Total Fees Claimed (£):</b>	<b>1,655.00</b>	<b>19,280.00</b>	<b>25,639.00</b>	<b>31,303.50</b>	<b>0.00</b>		<b>77,877.50</b>	

**Category 2 Disbursements**

There were no Category 2 Disbursements incurred during the Reporting Period.

## Appendix 6 – Fee Narrative

SIP 9 narrative for the Reporting Period	
Administration and planning	<ul style="list-style-type: none"> <li>• Monitoring and reviewing the Administration strategy;</li> <li>• Briefing staff on the Administration strategy and matters in relation to workstreams;</li> <li>• Regular case management and reviewing of process including regular team update meetings;</li> <li>• Reviewing and authorising junior staff correspondence and other work;</li> <li>• Drafting statutory progress reports;</li> <li>• Dealing with queries arising during the appointment;</li> <li>• Reviewing matters affecting the outcome of the Administration;</li> <li>• Allocating and managing staff/ case resourcing and budgeting exercises and reviews;</li> <li>• Complying with internal filing and information recording practices, including documenting strategy decisions;</li> <li>• Liaising with tax advisors regarding pre-Administration Corporation Tax losses;</li> <li>• Analysing and considering the tax effects of asset sales;</li> <li>• Working on tax returns relating to the periods affected by the Administrator;</li> <li>• Analysing VAT related transactions; reviewing the Company's duty position to ensure compliance with duty requirements;</li> <li>• Dealing with post appointment tax compliance;</li> <li>• Ensuring compliance with all statutory obligations within the relevant timescales;</li> <li>• Uploading information to the Creditors' Portal/Website; and</li> <li>• Filing notice of the extension of the Administration.</li> </ul>
Creditors	<ul style="list-style-type: none"> <li>• Updating the list of unsecured non-preferential creditors;</li> <li>• Responding to enquiries from Creditors regarding the Administration and submission of their claims;</li> <li>• Reviewing completed forms submitted by Creditors, recording claim amounts and maintaining claim records;</li> <li>• Responding to queries from former employees of the Company; and</li> <li>• Providing written and oral updates to the Secured Creditor regarding the progress of the Administration and cases strategy.</li> </ul>
Investigations	<ul style="list-style-type: none"> <li>• Investigating the affairs of the Company to identify any actions available to the Company against third parties in respect of antecedent transactions or other litigation;</li> <li>• Obtaining records from third parties;</li> <li>• Documenting investigations.</li> </ul>
Statutory and compliance	<ul style="list-style-type: none"> <li>• Ensuring compliance with all statutory obligations within the relevant timescales;</li> <li>• Uploading information to the Creditors' Portal/Website;</li> <li>• Drafting and publishing progress reports;</li> <li>• Running decision procedures;</li> </ul>

	<ul style="list-style-type: none"> <li>• Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9;</li> <li>• Monitoring the fees estimate;</li> <li>• Monitoring the expenses estimate; and</li> <li>• Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9;</li> </ul>
Cashiering	<ul style="list-style-type: none"> <li>• Completing the entries required to maintain the statutory Receipts and Payments Accounts;</li> <li>• Renewing bonding and complying with statutory requirements; and</li> <li>• Arranging payments to third parties, agents and solicitors in a timely manner.</li> </ul>
Asset Realisations	<ul style="list-style-type: none"> <li>• Reviewing outstanding debtors and management of debt collection strategy;</li> <li>• Seeking legal advice in relation to book debt collections;</li> <li>• Communicating with landlords regarding rent, property occupation and other property issues;</li> <li>• Liaising with third parties regarding costs incurred;</li> <li>• Collecting and paying rent due on the Company's former premises; and</li> <li>• Reviewing costs incurred to ensure recorded accurately.</li> </ul>
Trading	<ul style="list-style-type: none"> <li>• Attending to supplier and customer queries and correspondence;</li> <li>• Reviewing invoices to ensure they correspond with the relevant purchase orders;</li> <li>• Raising payments to suppliers in respect of Administration costs; and</li> <li>• Contacting all suppliers to obtain final invoices for the trading period.</li> </ul>

## **Appendix 7 – Statement of Creditors' Rights**

*Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)  
Section or paragraph numbers refer to Insolvency Act 1986*

If you require a copy of any relevant rule or section, please contact Joss Mitchison at [Joss.Mitchison@duffandphelps.com](mailto:Joss.Mitchison@duffandphelps.com).

### **Information for Creditors on remuneration and disbursements of Administrators**

Information regarding the fees and disbursements of Administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "Administration: A Creditor's Guide to Insolvency Practitioner Fees". This can be viewed and downloaded from the Duff & Phelps' website at:

<https://www.duffandphelps.co.uk/services/disputes-and-investigations/restructuring/corporate-restructuring/creditor-guides-and-employee-fact-sheets>.

(Click on 'Administrations' under the heading 'Creditor Guides')

Should you require a copy, please contact this office.

### **Creditors' requests for further information**

If you would like to request more information about the Joint Administrators' remuneration and disbursements disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from Unsecured Creditors must be made with the concurrence of at least 5% in value of Unsecured Creditors (including, the Unsecured Creditor making the request) or with the permission of the Court.

### **Creditors' right to challenge our remuneration and expenses**

If you wish to challenge the basis of the Joint Administrators' remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by Unsecured Creditors (including the Unsecured Creditors making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Joss Mitchison at [Joss.Mitchison@DuffandPhelps.com](mailto:Joss.Mitchison@DuffandPhelps.com).

## Appendix 8 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agents	Ensco 1078 Limited T/A European Valuations (Company Number: 09086864), independent agents, who were instructed to value and sell certain assets of the Company
the Appointment Date	18 January 2019, being the date of appointment of the Joint Administrators
BEIS	Department for Business, Energy & Industrial Strategy
Category 1 Disbursements	The Joint Administrators' external costs and expenses in dealing with the Administration
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
the Company	SGL Realisations Limited (formerly Service Graphics Limited) (In Administration) (Company Number: 04332146)
the Creditors' Portal	The Joint Administrators have chosen to deliver certain documents to creditors by making them available for viewing and downloading at the website, <a href="http://www.ips-ujcs.com">www.ips-ujcs.com</a> . Creditors can also submit their claim via the Creditors' Portal.
CSM Live	CSM Sport and Entertainment LLP (Company Number: OC368517), the purchaser of certain assets of the Company
the Cumulative Period	The period from 18 January 2019 to 17 July 2020
the Director	Landry Kouakou, the sole director of the Company as at the Appointment Date
Duff & Phelps	Duff & Phelps Ltd., The Shard, 32 London Bridge Street, London SE1 9SG
Evolve	Evolve IS Limited, (Company Number: 07369592), ERA specialists who were instructed to assist the Joint Administrators process claims from former employees of the Company
Flare	Flare Limited (In Administration) (Company Number: 06994528)
the Group	Selmerbridge, Service Graphics, SP Group, Tactical Solutions and Flare
HMRC	HM Revenue and Customs
the Joint Administrators	Allan Graham and Matthew Ingram of Duff & Phelps Ltd., 35 Newhall Street, Birmingham B3 3PU.
Kin + Carta	Kin + Carta Limited being the previous shareholder of the Company (Company Number: 11403627)

Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the company's net property (floating charge assets less costs of realisation) shall be made available to unsecured non-preferential creditors
the Previous Reports	The Joint Administrators' Progress Reports to Creditors dated 14 August 2019 and 12 February 2020
the Proposals	The Joint Administrators' Report to Creditors and Statement of Proposals dated 11 March 2019
the Purchaser / Paragon	Paragon Group UK Limited (Company Number: 00551336), the purchaser of part of the business and certain assets of the Company, via a pre-packaged Administration
the Reporting Period	The period from 18 January 2020 to 17 July 2020
RPS	Redundancy Payments Service
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
the Secured Creditor / Sitara	Sitara Finance Designated Activity Company, the holder of fixed and floating charges over the Company's assets
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SOA	Statement of Affairs, a document supplied by the Director outlining the Company's financial position as at the Appointment Date
the Solicitors / Gateley	Gateley Plc (Company Number: 09310187), solicitors instructed by the Joint Administrators to prepare the SPA, the APA and provide ad hoc legal advice as required
Selmerbridge	Selmerbridge Print Vehicles Limited (In Administration) (Company Number: 10704083), the holder of 100% of the issued share capital of the Company at the Appointment Date
SPA	The Sale and Purchase Agreement, between the Company, the Joint Administrators and the Purchaser, dated 18 January 2019
Tactical Solutions	Tactical Solutions UK Ltd (In Administration) (Company Number: 04103199)
the Transaction	The pre-packaged sale of certain business and assets to the Purchaser on the Appointment Date
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006
WIP	Work in progress

## **Appendix 9 – Notice About This Report**

This report has been prepared by Allan Watson Graham and Matthew Ingram, the Joint Administrators of the Company, solely to comply with their statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of any financial interest in the Company or any other company in the same group.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Allan Watson Graham and Matthew Ingram are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Duff & Phelps Ltd. does not assume any responsibility and will not accept any liability to any person in respect of this Progress Report or the conduct of the Administration.