

**Tri Media Publishing Limited
T/as The Oxford Journal & The Basingstoke Observer
In Liquidation
("the Company")**

**Annual Report to the Members and Creditors
Pursuant to Section 192 of the Insolvency Act 1986
for the year ending 16 February 2013**

Wilkins Kennedy LLP
92 London Street
Reading
Berkshire
RG1 4SJ

WEDNESDAY



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1. INTRODUCTION

The purpose of this report is to detail my acts and dealings as liquidator and it should be read in conjunction with my previous correspondence to creditors. The detailed report is provided below, but in summary I have now completed my realisations of the Company's assets and I will shortly be looking to make a distribution to preferential creditors.

During the liquidation a number of issues arose concerning the sale of the Company's chattel assets to an associated company (Tri Media Newspapers Limited) and its interest in the Oxford Journal title to the Company's director Howard Taylor. These issues have been resolved following the anniversary of the liquidation and details are provided below in paragraphs 4.3 and 4.4 below.

2. BACKGROUND

The Company's registration number is 04664200 and its current registered office is 92 London Street, Reading, Berkshire, RG1 4SJ.

The Company's former registered office was 9-11 Cholswell Court, Cholswell Road, Shippon, Abingdon, Oxfordshire, OX13 6HX. The Company traded from this premises and also another premises at 2nd Floor, Paddington House, Festival Place, Basingstoke, Hampshire, RG21 7LG.

As previously advised, the Company was subject to a company voluntary arrangement which was approved on 18 January 2011. Keith Aleric Stevens and I acted as joint supervisors of the arrangement.

After the Company breached the terms of the arrangement, a winding up petition was issued by the joint supervisors. A winding up order was made against Tri Media Publishing Limited on 17 February 2012 and Keith Aleric Stevens and I were appointed as joint liquidators. A copy of this order was provided in my first report to creditors. A further copy is available on request.

3. RECEIPTS AND PAYMENTS ACCOUNT

Appendix I is a summary of receipts and payments from the date of my appointment on 17 February 2012 to 16 February 2013. As at 16 February 2013 a total of £946.48 was held in the liquidation account. This account is interest bearing and I confirm that it has been reconciled to the bank statements. Since the anniversary date, additional funds have been paid into the estate account in respect of the Company's assets.

4. ASSET REALISATIONS

4.1 Transfer from CVA and VAT reclaimed from CVA

The sum of £18,743 has been received from the former voluntary arrangement. All trusts created by the arrangement were terminated following its failure and as such, the funds in hand are available for the general body of creditors in the liquidation.

A reclaim of £2,618 has also been received in respect of VAT that was applied to the supervisors' remuneration which, subject to the decision in *Paymex Ltd -v- The Commissioners for HM Revenue & Customs*, has now been deemed incorrect.

4.2 Book debts

As previously advised, the Company operated an invoice finance agreement with Gener8 Finance Ltd ("Gener8") in respect of its sales ledger. Gener8 have advised that they have finalised their debt collections and will write off the outstanding balance due to them. There will not be a surplus balance available for the liquidation.

4.3 Chattel assets

An offer was received from the Company's director, Howard Taylor, through his new company Tri Media Newspapers Limited ("TMN") to purchase the Company's chattel assets for the sum of £6,000 plus VAT. Taking into account the costs that would be incurred in removing and then selling the items and that TMN had adopted the employee liabilities, the decision was taken to accept this offer.

Before the sale could be completed and the agreed consideration paid, TMN defaulted on their invoice finance agreement with Gener8 who placed the Company into administration in order to protect their position in relation to the debts. TMN had been using the Company's assets whilst the sale to them was being completed and it was agreed with the administrators that they could sell the assets, with settlement of the balance to be paid to the liquidation to be agreed thereafter.

Since the anniversary date, an agreement has been reached with the administrators of TMN on 20 February 2013 and a total of £4,050 has been paid to the liquidation in respect of the assets sold, taking account of their agents costs of sale. These funds cleared the liquidation bank account on 1 March 2013.

4.4 Intellectual property

As part of the offer received from TMN to purchase the Company's chattel assets, Howard Taylor also offered to purchase the Oxford Journal title for the sum of £500 plus VAT. Mr Taylor had made this payment to the liquidation, however, the sale was not completed whilst the issues regarding the chattel assets remained outstanding and the funds were placed into the Wilkins Kennedy client account whilst being resolved.

Now that the sale of the chattel assets has been concluded, it is my intention to complete the sale of the Oxford Journal title to Mr Taylor and pay the funds held in the client account to the liquidation.

4.5 Other assets

The sum of £1,621 has been received in respect of a rates refund due to the Company. The Official Receiver's credit balance shown on the receipts and payments account at Appendix I represents the deposit paid by the petitioner towards the Official Receiver's initial costs.

5. EXPENDITURE

5.1 Liquidator's remuneration

My remuneration was authorised by creditors at a meeting held on 24 July 2012 to be drawn on a time costs basis. My total time costs to 16 February 2013 amount to £13,037.00, which have been charged at an average hourly charge out rate of £225.94. I have drawn £12,644.50 to date.

A description of the routine work undertaken in the liquidation is set out at Appendix II. In addition to the routine work, I have spent additional time pursuing TMN and Howard Taylor regarding the sale of the Company's assets to them. Further details are provided above in paragraphs 4.3 and 4.4 above.

A "Creditors Guide to Insolvency Practitioners' Fees" is available at the following internet link www.insolvency-practitioners.org.uk/uploads/Liq.pdf. If you do not have access to the internet, a hard copy of this document is available free of charge on request.

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the

joint liquidators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the joint liquidators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

5.2 Liquidator's expenses

My expenses to 16 February 2013 amount to £2,249.86 and have been drawn in full.

The following agents and professional advisors have been used in the liquidation:

<u>Agent/professional advisor</u>	<u>Nature of work</u>	<u>Fee arrangement</u>
Boyes Turner LLP	Legal costs in preparing the petition for placing the Company into compulsory liquidation and serving notice on the Company's director	Time costs and disbursements totalling £154.70 plus VAT

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

6. INVESTIGATION

- 6.1 The investigation into the reasons behind the failure of the Company has been completed by the Official Receiver. I have also conducted a review of the Company's affairs to identify whether there are any actions that may be taken for the benefit of the estate. No such actions have been identified.

If there are any matters that creditors believe should be brought to my attention, please contact my office.

7. CREDITORS' CLAIMS

7.1 Secured creditors

In support of their invoice finance agreement, a debenture was created in favour of Gener8 on 4 January 2012 creating fixed and floating charges over the assets of the Company. This charge was registered on 15 January 2010.

As detailed above, Gener8 have confirmed that following completion of debt collections a shortfall was due to them, however, they intend to write off this outstanding balance.

7.2 Preferential creditors

With the exception of one member of staff, all employees were transferred to TMN prior to liquidation. The liabilities due to them have also transferred to the new company under the provisions of the Transfer of Undertakings (Protection of Employment) Regulations.

I have yet to receive a claim from the Redundancy Payments Office ("RPO") for any payments made to the employee from the National Insurance Fund. I am in the process of pursuing the RPO for their claim.

7.3 Unsecured creditors

To date, I have received 10 unsecured claims totalling £405,952 compared to £448,542 estimated by the Official Receiver. The reason for the discrepancy is that a number of creditors have yet to submit their claims in the liquidation.

Claims have not yet been agreed or admitted for dividend purposes.

8. DIVIDEND PROSPECTS

I am currently looking into the possibility of making a distribution to preferential creditors which will be determined once the sale of the Oxford Journal title to Howard Taylor has been resolved and claim from the RPO received.

There will be insufficient funds available to make a distribution to unsecured creditors.

9. CONCLUSION

The liquidation will remain open until I have finalised the sale of the Oxford Journal title to Howard Taylor and determined the possibility of a distribution to preferential creditors. Once these issues have been dealt with the liquidation will be finalised and my files will be closed.

The next formal report will be following the next anniversary of the liquidation, or the conclusion of the liquidation, whichever is sooner. However, I would be happy to respond to any specific request for further information submitted in the meantime.

When contacting this office about the liquidation, please ask for Adam Seymour.



John Arthur Kirkpatrick
Joint Liquidator

**Tri Media Publishing Limited T/A The Oxford Journal & The Basingstoke Observer - In Compulsory Liquidation
Joint Liquidators' Abstract of Receipts & Payments**

From 17 February 2012 To 16 February 2013

S of A £	Total
	£
RECEIPTS	
NIL OR Credit Balance	1,165 00
NIL Rates Refund	1,621 22
NIL Transfer From CVA	18,743 39
NIL VAT reclaimed from CVA	2,618 15
NIL Bank Interest Gross	28 60
<u>NIL</u>	<u>24,176 36</u>
PAYMENTS	
Office Holders Fees	12,644 50
BIS Bank Charges	86 45
Corporation Tax	5 72
Insurance of Assets	1,667 38
IT Administration Fee	110 00
Legal Fees	154 70
Meeting Room Cost	50 00
OR Debit Balance	2,235 00
Postage and Stationery	65 78
Sec of State Fees	5,782 75
Specific Bond	80 00
Statutory Advertising	122 00
Vat Receivable	225 60
	<u>23,229 88</u>
CASH IN HAND	<u>946 48</u>

WILKINS KENNEDY LLP

Schedule of liquidator's remuneration and disbursements for

TRI MEDIA PUBLISHING LIMITED

as at 16 February 2013

LIQUIDATOR'S FEES

Classification Of Work Function	HOURS					Time Cost £	Average Hourly Rate £
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & Planning	2 20	7 80	3 55	8 50	22 05	4,120 50	186 87
Cashiering & Accounting	3 30	0 00	0 00	7 25	10 55	1,972 50	186 97
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of Assets	1 80	10 00	4 20	0 00	16 00	4,024 50	251 53
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 80	3 60	0 00	0 10	4 50	1,300 50	289 00
Case Specific Matters – Meeting & Reports	2 90	1 70	0 00	0 00	4 60	1,619 00	351 96
Total Hours	11 00	23 10	7 75	15 85	57 70	13,037 00	225 94
Total Fees Claimed (£)						12,644 50	

Wilkins Kennedy LLP Charge-Out Rates

1 February 2011 to 31 January 2012

£

Partners/Directors	375 00 – 430 00
Senior Managers/Managers	240 00 – 270 00
Administrators	125 00 – 195 00
Junior Administrators	85 00 – 100 00
Cashiers/Secretaries	75 00 – 90 00

1 February 2012 to Date

£

Partners/Directors	400 00 – 450 00
Senior Managers/Managers	270 00 – 300 00
Supervisors	205 00
Case Managers/Senior Administrators	195 00
Administrators/Investigators	100 00 – 145 00
Junior/Trainee Administrators	65 00 – 100 00
Cashiers/Secretaries	75 00 – 90 00

Explanation of officeholders time charging policy

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), the charge out rates detailed on the previous page are applicable to this appointment exclusive of VAT. Rates are normally reviewed on an annual basis and adjustments made accordingly where deemed appropriate.

Time is recorded in 6 minute units by each staff member working on the case. A description of the routine work undertaken which time will be recorded for is detailed as follows:

1 Administration and planning

- Preparing documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details
- Reviewing the ongoing progression of case files
- Arranging the collection and storage of company records
- Ensuring an appropriate case bordereau is in place
- Case planning and administration

2 Investigations

- Review and storage of the Company's books and records
- Preparation of returns / reports pursuant to the Company's Directors Disqualification Act 1986
- Conduct investigations into any suspicious transactions
- Reviewing the books and records to identify any transactions or actions that the officeholder may take in order to recover funds for the benefit of creditors

3 Realisation of assets

- Identifying, securing and obtaining sufficient insurance in respect of company assets
- Dealing with any retention of title or other third party claims
- Debt collection functions
- Negotiating and completing property, business and asset sales

4. Trading

- Management of trading operations
- Maintaining and preparing accounting records for the period of trade
- Dealing with ongoing employee issues

5 Creditors

- Dealing with creditor correspondence and telephone conversations
- Maintaining creditor information and claims (including those submitted by secured creditors, employees and other preferential creditors)

6 Meetings and reports

- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors where appropriate

Explanation of officeholders disbursement recovery policy

SIP 9 also requires that the office holder provide a statement of the officeholder's policy in relation to the recharging of disbursements SIP 9 defines disbursements as either Category 1 or Category 2 disbursements, further details of which are below

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage

Category 2 disbursements will generally comprise costs which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs

Charging and disbursement recovery policy

Category 1 disbursements are recoverable without approval, and will be recovered by the officeholder as they are incurred

Category 2 disbursements do require approval, and should be identified and subject to approval by those responsible for approving remuneration SIP 9 provides that the officeholder may make a separate charge for expenses in this category, provided that

- such expenses are of an incidental nature and are directly incurred on the case, and there is a reasonable method of calculation and allocation, it will be persuasive evidence of reasonableness, if the resultant charge to creditors is in line with the cost of external provision, and
- the basis of the proposed charge is disclosed and is authorised by those responsible for approving his remuneration

Payments to outside parties in which the officeholder or his firm or any associate (as defined by Section 435 of the Insolvency Act 1986) has an interest should be treated as category 2 disbursements

The following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision

Photocopying	5p per sheet
Mileage	45p per mile
Meeting Room	£50