

**2.24B**

The Insolvency Act 1986

**Administrator's progress report**

Name of Company Gekko Technology Limited	Company number 05041800
In the Worcester District Registry (full name of court)	Court case number 340/2012 of 1986

(a) Insert full name(s) and address(es) of administrator(s)

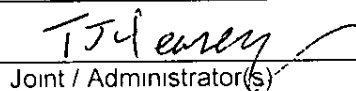
I/We (a)  
 Timothy James Heaselgrave  
 The Timothy James Partnership Ltd  
 Meryll House  
 57 Worcester Road  
 Bromsgrove  
 B61 7DN

administrator(s) of the above company attach a progress report for the period

(b) Insert date

From (b) 31 August 2012	To (b) 28 February 2013
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Signed

  
 Joint / Administrator(s)

Dated

27.03.13

**Contact Details**

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to searchers of the public record

Timothy James Heaselgrave  
 The Timothy James Partnership Ltd  
 Meryll House  
 57 Worcester Road  
 Bromsgrove  
 B61 7DN

DX Number

01527 839920  
 DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at -  
**Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff**





## THE TIMOTHY JAMES PARTNERSHIP

Business Recovery & Insolvency Specialists

Meryll House, 57 Worcester Road, Bromsgrove, Worcestershire B61 7DN

T 01527 839920 F 01527 832341

### TO ALL KNOWN CREDITORS

Our Ref 127035/TJH/M

27 March 2013

Dear Sirs

#### **Gekko Technology Limited - In Administration**

Please find enclosed a progress report pursuant to Rule 2.47 of the insolvency (Amendment) Rules 2003

Yours faithfully  
For and on behalf of  
Gekko Technology Limited

T J Heaselgrave  
Administrator

The affairs, business and property of the Company are being managed by the Administrator

**GEKKO TECHNOLOGY LIMITED  
IN ADMINISTRATION ("the Company") 340 of 2012**

**ADMINISTRATOR'S STATEMENT OF PROPOSALS PURSUANT TO  
PARAGRAPH 49 OF SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

**28 March 2013**

**The report has been prepared for the sole purpose of updating creditors and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than advising them, or by any other person for any purpose whatsoever.**

**The Administrator act as agent of the Company and without personal liability**

**T J Heaselgrave  
The Redfern Partnership LLP  
c/o Meryll House  
57 Worcester Road  
Bromsgrove  
Worcestershire  
B61 7DN**



COMPANIES HOUSE

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## **1. Introduction**

Further to my first report to all creditors dated 17 September 2012, I write to update the creditors on the progress of the Administration to date and pursuant to Rule 2.47 of the Insolvency (Amendment) Rules 2003.

## **2. Other information required by Rule 2.47 of the Insolvency (Amendment) Rules 2003**

Timothy James Heaselgrave was appointed Administrator of Gekko Technology Limited on 31 August 2012 by the floating charge creditor, Croftdawn Limited. The Court reference number is 340 of 2012 of the High Court Of Justice, Chancery Division, Worcester District Registry.

The Company's main centre of operations is based in the United Kingdom. The EC Regulations on Insolvency Proceedings 2000 apply to the Administration. The proceedings are main proceedings as defined by Article 3 of those regulations.

Full name.	Gekko Technology Limited
Previous names:	none
Registered office	Redfern House, 29 Jury Street, Warwick, CV34 4EH
Trading address:	Units 3-5 Cotton Drive, Dalehouse Lane, Industrial Estate, Kenilworth, Warwickshire, CV8 2UE.
Registered number:	05041800
Incorporation date:	12 February 2004
Directors:	Mr D R Amphlett, Mr P Lee and Mr I A Muir
Company secretary	Mr A J O'Brien

### **Shareholders:**

#### **Ordinary Shares**

Mr D R Amphlett (808 shares) and Mr A T Hall (42 shares)

#### **Ordinary A Shares**

Forward Innovation Fund (883 shares), The Exceed Partnership LP (1,058 shares), Forward Nominees Limited (425 shares) and The Exceed Co-Investment Partnership LP (23 shares)

## **Ordinary B Shares**

Croftdawn Limited (919,251 shares)

### **3. Progress of the Administration to 28 February 2013**

#### **3.1 Asset realisations**

As detailed in my first report to creditors, a sale of the business and assets was agreed to a third party called Willowglen Limited. It was agreed that the transfer date for the sale was as at my appointment on 31 August 2012.

The purchasing company purchased the business of the Company including its goodwill, intellectual property, stock, motor vehicle and some book debts for the sum of £80,000. The purchase price was paid in full on completion of the sale agreement.

The purchasing company has since changed its name to Gekko Lite Limited.

Any other assets including the remaining debtors were excluded from the sale.

In addition to the payment of the purchase price detailed above the purchaser has provided assistance in the collection of the remaining debtors and agreed to deal with the landlords of the Company's property. The purchaser has also assumed the liabilities of the employees of the Company.

As detailed above, the Company's records show debtors with a book value of £41,000. Of the total amount at least £26,000 is in dispute. The contract for the sale of the business provides that £10,000 of recoveries made from debtors will be paid to the purchasing company. This is because some of the customers that have outstanding debtor balances have also had significant supplies of Company product in the past and may have on-going warranty issues.

#### **3.2 Administrator's Proposals**

No creditor's meeting was held but creditors agreed to the Administrator's proposals for the Company by way of postal resolutions. The Administrator's proposals were agreed by the creditors and notice of that agreement was sent to creditors on 8 October 2012.

#### **3.3 Investigations**

The Administrator has a statutory duty under the Company Director's Disqualification Act 1986 and the Insolvent Companies (Report on Conduct of Directors) Rules 1996 to submit confidential reports or returns to Insolvency Service on the conduct of those persons who have acted as directors of the Company. I can confirm that I have complied with my duties in this matter.

### **3.4 Statement of Affairs**

The directors have submitted a statement of affairs and this has been filed at Companies House

### **4. Creditors and prescribed part**

At the time of my appointment as Administrator, there were a number of secured creditors with, Mr A F Martin holding the first fixed and floating charge, according to Companies House I have reviewed this security with my solicitor and found it to be invalid. I have informed Mr Martin of my findings. If Mr Martin is unable to provide any further information for me to consider, I will be contacting the next secured creditors and ask for their security documentation for my consideration. If valid, the remaining funds, after costs, will be distributed to them

The directors' statement of affairs shows that there are no preferential creditors for employees' claims for wages and holiday pay. The employees were transferred and the purchaser of the Company assumed the liabilities of the employees of the Company accordingly

There are two floating charge creditors detailed on the statement of affairs, The Exceed Partnership and Croftdawn Limited who are each owed £305,030.

Where there is a floating charge created after 15 September 2003, a percentage of the assets realised subject to the charge is ring fenced for unsecured creditors. This is called the prescribed part of the company's net property available for the satisfaction of unsecured debts. The directors' statement of affairs showed the prescribed part to be £10,000. The costs of realising the floating charge assets has exceeded this amount and there will not be any funds available for unsecured creditors.

### **5. Receipts and Payments**

I include as a receipts and payments account to 28 February 2013

### **6. Administrator's fees and expenses**

The time spent by the Administrator and his staff on this assignment to 28 February 2013 is attached. There is a schedule to 31 December 2012 totalling £27,963 and then a schedule from 1 January 2013 to 28 February 2013 totalling £2,306.50, due to the change of a time recording system. All staff who have worked on this assignment, including cashiers and secretarial staff have charged time directly to this assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged to this assignment. The work has been categorised into the following task headings and sub-categories.

- **Administration and Planning:** includes case planning and set-up, appointment notification, statutory reporting, compliance, cashiering, accounting and administrative functions
- **Investigations:** includes reporting on the Directors' conduct, investigating antecedent transactions and other investigations that may be deemed appropriate.
- **Realisation of Assets:** includes identifying and securing assets, sale of business, property issues, activities in relation to other fixed assets, stock, debtors, investments and related legal issues.
- **Trading:** includes planning, strategy, preparing and monitoring cash flow and trading forecasts, management of operations, corresponding with suppliers and customers, landlord issues and employee matters including payroll and accounting for trading
- **Creditors:** includes creditor set up, communications and meetings, reviewing and agreeing preferential and unsecured claims, retention of title issues and recording and progressing employee related claims.

The range of charge out rates for the separate categories of staff are based on our normal charge out rates. These rates are summarised below

Grade	Rate £ per hour
Partner	£225 - £345
Manager	£175 - £260
Administrators	£75 - £135
Employment Rights Act Department	£85 - £130
Cashier	£85 - £130
Secretarial	£65 - £80

The Administrator was authorised by the creditors at the meeting of creditors to draw fees on a monthly basis based on his time costs. In addition the Administrator was authorised to draw £6,895 in relation to pre-appointment costs as detailed below.

Grade	Work performed	Rate per hour £	Hours	£
Partner	Dealing with the sale of the business the directors, and the appointment documentation	345.00	9.0	3,105
Manager	Initial discussions with the directors, dealing with sale of the business and preparation of the appointment documentation	260.00	13.5	3,510
Administrators	Dealing with asset valuations and general administrative tasks	130.00	3.5	280
Total			26.0	6,895

At 28 February, I had time costs of £30,269.50 and had taken fees of £28,083



## **7. Future Reporting**

In accordance with the Enterprise Act 2003, all administrations automatically come to an end after one year, unless an extension is granted by the Court or with the consent of the creditors

Otherwise and unless it is proposed that a company in administration should be placed into Creditors' Voluntary Liquidation the appointment of the Administrator ceases on the following

- Filing a notice in Court and with the Registrar of Companies confirming that the purpose of the Administration has been sufficiently achieved; or,
- In the event that the company has no property the Administrator may notify the Register of Companies to that effect at which time the appointment of the Administrator ceases and three months following that date the company is deemed to be dissolved

The exit provisions contained in Schedule B1 of the Insolvency Act 1986 provides an informal and cost effective way for the appointment of Administrators to cease and reference is made to this in the Administrators proposals previously sent to creditors.

At this stage I anticipate that the exit route for the Administration will be by way of the dissolution of the Company

The Administration of the Company is due to automatically end on 31 August 2013 and in accordance with Rule 2.47 of the Insolvency (Amendment) Rules 2003, I must provide creditors with my final report before 31 August 2013

## **8. Conclusion of the Administration**

The Administrator's proposals have yet to be completed and consequently the Administrator is not in a position to conclude the Administration. Once the outstanding matters have been dealt with the Administrator will take the necessary steps to dissolve the Company

Yours faithfully  
For and on behalf of Gekko Technology Limited



**T J Heaselgrave**  
**Administrator**

**The affairs, business and property of the Company are being managed by Timothy James Heaselgrave, who was appointed Administrator on 31 August 2012**

**Gekko Technology Limited**  
**(In Administration)**  
**Administrator's Abstract of Receipts & Payments**  
**To 28/02/2013**

S of A £		£	£
	<b>SECURED ASSETS</b>		
50,000 00	Goodwill & intellectual property	50,000 00	50,000 00
	<b>SECURED CREDITORS</b>		
(50,000 00)	A F Martin	NIL	NIL
	<b>ASSET REALISATIONS</b>		
7,000 00	Plant, machinery and office equipment	7,000 00	
2,500 00	Motor Vehicles	2,500 00	
10,500 00	Stock	10,500 00	
15,000 00	Book Debts	10,000 00	
1,374 00	Cash at Bank	NIL	
	Rent Rebate	1,067 29	
	Bank Interest Gross	16 19	
			31,083 48
	<b>COST OF REALISATIONS</b>		
	Specific Bond	180 00	
	Pre Appointment Time	6,895 00	
	Office Holders Fees	28,083 00	
	Agents/Valuers Fees (1)	1,000 00	
	Statutory Advertising	76 50	
	Insurance of Assets	440 02	
			(36,674 52)
	<b>FLOATING CHARGE CREDITORS</b>		
(305,030 00)	The Exceed Partnership	NIL	
(305,030 00)	Croftdawn Limited	NIL	
			NIL
	<b>UNSECURED CREDITORS</b>		
(559,805 00)	Trade & Expense Creditors	NIL	
(53,731 00)	HM Revenue & Customs - PAYE/NIC	NIL	
868 00	HM Customs & Excise - VAT	NIL	
			NIL
	<b>DISTRIBUTIONS</b>		
(850 00)	Ordinary Shareholders	NIL	
(2,389 00)	Ordinary A Shareholders	NIL	
(919,251 00)	Ordinary B Shareholders	NIL	
			NIL
<b>(2,108,844.00)</b>			<b>44,408.96</b>
	<b>REPRESENTED BY</b>		
	Vat Receivable		7,210 90
	Bank Current		37,198 06
			<b>44,408.96</b>

GEKKO TECHNOLOGY LIMITED

Classification of work function	Hours					Time Cost (£)	Average hourly rate (£)
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	0.00	30.50	0.00	8.80	39.30	8,974.00	228.35
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisations of assets	0.00	4.50	0.00	0.00	4.50	1,170.00	260.00
Trading	0.00	0.50	0.00	0.00	0.50	130.00	260.00
Creditors	37.50	15.00	0.00	6.55	59.05	17,689.00	299.58
Total Hours	37.50	50.50	0.00	15.35	103.35	27,963.00	270.57
Total Fees Claimed						0.00	

# Time Entry - Detailed SIP9 Time & Cost Summary

127035 - Gekko Technology Limited  
To 28/02/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
700 Formalities	0.00	2.00	0.00	0.00	2.00	500.00	250.00
Admin & Planning	0.00	2.00	0.00	0.00	2.00	500.00	250.00
600 Case Specific	2.70	0.00	0.00	0.00	2.70	831.50	345.00
Case Specific Matters	2.70	0.00	0.00	0.00	2.70	831.50	345.00
201 CODA Reports	0.00	3.50	0.00	0.00	3.50	875.00	250.00
Investigations	0.00	3.50	0.00	0.00	3.50	875.00	250.00
Total Hours	2.70	8.50	0.00	0.00	8.20	2,306.50	281.28
Total Fees Claimed						0.00	