

**2.24B**

The Insolvency Act 1986

**Administrator's progress report**

|                          |
|--------------------------|
| Name of Company          |
| Gekko Technology Limited |

|                |
|----------------|
| Company number |
| 05041800       |

|  |
|--|
| In the<br>High Court of Justice Chancery Division<br>Worcester District Registry<br>(full name of court) |
|--|

|                                  |
|----------------------------------|
| Court case number<br>340 of 2012 |
|----------------------------------|

(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) 28 February 2013 |

|                    |
|--------------------|
| To                 |
| (b) 30 August 2013 |

Signed

  
 Administrator

Dated

5.9.13

**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 published

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**



A05 11/09/2013 #341  
 COMPANIES HOUSE

**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**

**5 September 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**



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COMPANIES HOUSE



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## **1. Introduction**

Further to my progress report to all creditors dated 27 March 2013, 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  | Meryll House, 57 Worcester Road, Bromsgrove, Worcestershire B61 7DN                          |
| 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 30 August 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 30 August 2013

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

The time spent by the Administrator and his staff on this assignment to 30 August 2013 is attached There is a schedule to 31 December 2012 totalling £27,963 and then a schedule from 1 January 2013 to 30 August 2013 totalling £11,463 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 30 August 2013, I had time costs of £39,426 50 and had taken fees of £30,314 50

## **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 was due to end on 31 August 2013, however, I applied to Court to extend the Order because not all matters in the Administration had been completed The Court granted the extension and the Administration Order now ends on 28 February 2014 and in accordance with Rule 2.47 of the Insolvency (Amendment) Rules 2003, I must provide creditors with my final report before 28 February 2014

## **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**

| Statement of Affairs  |                                       | From 28/02/2013<br>To 30/08/2013 | From 31/08/2012<br>To 30/08/2013 |
|-----------------------|---------------------------------------|----------------------------------|----------------------------------|
|                       | <b>SECURED ASSETS</b>                 |                                  |                                  |
| 50,000 00             | Goodwill & intellectual property      | NIL                              | 50,000 00                        |
|                       |                                       | NIL                              | 50,000 00                        |
|                       | <b>SECURED CREDITORS</b>              |                                  |                                  |
| (50,000 00)           | A F Martin                            | NIL                              | NIL                              |
|                       |                                       | NIL                              | NIL                              |
|                       | <b>ASSET REALISATIONS</b>             |                                  |                                  |
| 7,000 00              | Plant, machinery and office equipment | NIL                              | 7,000 00                         |
| 2,500 00              | Motor Vehicles                        | NIL                              | 2,500 00                         |
| 10,500 00             | Stock                                 | NIL                              | 10,500 00                        |
| 15,000 00             | Book Debts                            | NIL                              | 10,000 00                        |
| 1,374 00              | Cash at Bank                          | 25,585 28                        | 25,585 28                        |
|                       | Rent Rebate                           | NIL                              | 1,067 29                         |
|                       | Bank Interest Gross                   | 19 97                            | 36 16                            |
|                       | Third Party Debts                     | (12,154 60)                      | (12,154 60)                      |
|                       |                                       | 13,450 65                        | 44,534 13                        |
|                       | <b>COST OF REALISATIONS</b>           |                                  |                                  |
|                       | Specific Bond                         | NIL                              | 180 00                           |
|                       | Pre Appointment Time                  | NIL                              | 6,895 00                         |
|                       | Office Holders Fees                   | 2,231 50                         | 30,314 50                        |
|                       | Agents/Valuers Fees (1)               | NIL                              | 1,000 00                         |
|                       | Legal Fees (1)                        | 10,784 50                        | 10,784 50                        |
|                       | Statutory Advertising                 | NIL                              | 76 50                            |
|                       | Insurance of Assets                   | NIL                              | 440 02                           |
|                       |                                       | (13,016 00)                      | (49,690 52)                      |
|                       | <b>FLOATING CHARGE CREDITORS</b>      |                                  |                                  |
| (305,030 00)          | The Exceed Partnership                | NIL                              | NIL                              |
| (305,030 00)          | Croftdown Limited                     | NIL                              | NIL                              |
|                       |                                       | NIL                              | NIL                              |
|                       | <b>UNSECURED CREDITORS</b>            |                                  |                                  |
| (559,805 00)          | Trade & Expense Creditors             | NIL                              | NIL                              |
| (53,731 00)           | HM Revenue & Customs - PAYE/NIC       | NIL                              | NIL                              |
| 868 00                | HM Customs & Excise - VAT             | NIL                              | NIL                              |
|                       |                                       | NIL                              | NIL                              |
|                       | <b>DISTRIBUTIONS</b>                  |                                  |                                  |
| (850 00)              | Ordinary Shareholders                 | NIL                              | NIL                              |
| (2,389 00)            | Ordinary A Shareholders               | NIL                              | NIL                              |
| (919,251 00)          | Ordinary B Shareholders               | NIL                              | NIL                              |
|                       |                                       | NIL                              | NIL                              |
| <b>(2,108,844.00)</b> |                                       | <b>434 65</b>                    | <b>44,843 61</b>                 |
|                       | <b>REPRESENTED BY</b>                 |                                  |                                  |
|                       | Vat Receivable                        |                                  | 9,805 70                         |
|                       | Bank Current                          |                                  | 35,037 91                        |
|                       |                                       |                                  | <b>44,843 61</b>                 |

GEKKO TECHNOLOGY LIMITED – IN ADMINISTRATION

TIME COSTS FROM 31 AUGUST 2012 TO 31 DECEMBER 2012

| 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                       | 8 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 - SIP9 Time & Cost Summary

127035 - Gekko Technology Limited  
From 01/01/2013 To 30/08/2013

| Classification of Work Function    | Partner      | Manager      | Other Senior Professionals | Assistants & Support Staff | Total Hours  | Time Cost (£)    | Average Hourly Rate (£) |
|------------------------------------|--------------|--------------|----------------------------|----------------------------|--------------|------------------|-------------------------|
| Admin & Planning                   | 13.00        | 7.00         | 0.00                       | 3.53                       | 23.53        | 6,897.00         | 293.12                  |
| Brought Forward                    | 0.00         | 0.00         | 0.00                       | 0.00                       | 0.00         | 0.00             | 0.00                    |
| Case Specific Matters              | 3.20         | 0.00         | 0.00                       | 0.00                       | 3.20         | 1,104.00         | 345.00                  |
| Creditors                          | 0.00         | 0.00         | 0.00                       | 0.00                       | 0.00         | 0.00             | 0.00                    |
| Investigations                     | 1.00         | 3.50         | 0.00                       | 0.00                       | 4.50         | 1,220.00         | 271.11                  |
| Marketing                          | 0.00         | 0.00         | 0.00                       | 0.00                       | 0.00         | 0.00             | 0.00                    |
| Non Chargeable                     | 0.00         | 0.00         | 0.00                       | 0.00                       | 0.00         | 0.00             | 0.00                    |
| Realisation of Assets              | 6.50         | 0.00         | 0.00                       | 0.00                       | 6.50         | 2,242.50         | 345.00                  |
| Trading                            | 0.00         | 0.00         | 0.00                       | 0.00                       | 0.00         | 0.00             | 0.00                    |
| <b>Total Hours</b>                 | <b>23.70</b> | <b>10.50</b> | <b>0.00</b>                | <b>3.53</b>                | <b>37.73</b> | <b>11,463.50</b> | <b>303.83</b>           |
| <b>Total Fees Claimed</b>          |              |              |                            |                            |              | <b>0.00</b>      |                         |
| <b>Total Disbursements Claimed</b> |              |              |                            |                            |              | <b>0.00</b>      |                         |