

6350783

**The Magazine People Limited  
In Compulsory Liquidation**

**In the High Court of Justice  
No. 309 of 2012**

**Liquidator's annual progress report to members and creditors  
for the year ending 30 January 2016**



## **Contents**

- 1 Introduction
- 2 Receipts and payments accounts
- 3 Realisation of assets
- 4 Investigations
- 5 Creditors
- 6 Liquidator's remuneration
- 7 Liquidator's disbursements
- 8 Creditors' rights
- 9 Next report

## **Appendices**

- A Statutory information
- B Liquidator's receipts and payments account for the period 31 January 2015 to 30 January 2016, together with a cumulative account for the period of the liquidation
- C Liquidator's time analysis for the period 31 January 2015 to 30 January 2016 and for the period of my appointment, together with details of charge out rates, provided in accordance with Statement of Insolvency Practice 9
- D Creditors' rights - Rules 4 49E and 4 131 of the Insolvency Rules 1986



## **1 Introduction**

This report provides an update on the progress of the liquidation during the period and should be read in conjunction with my previous reports

Additional information in respect of the company and office holder/s, as required pursuant to Rule 4 49B of the Insolvency Rules 1986 ("IR1986") is attached at Appendix A

## **2 Receipts and payments accounts**

An account of my receipts and payments for the period 31 January 2015 to 30 January 2016 is at Appendix B, together with a cumulative account for the period of the liquidation and a comparison with the Official Receiver's report

### Secretary of State fees

In accordance with the Insolvency Regulations, all funds received into the estate were paid into the Insolvency Services Account, on which Secretary of State fees were charged in the sum of £143 74 during the period

In addition cheque fees of £1 25 have been incurred

### Bank charges

During the period charges of £88 have been incurred and paid

## **3 Realisation of assets**

The only realisation during the period is bank interest in the sum of £6 26

## **4 Investigations**

My investigations into the affairs of the company and Mr Bradney's conduct are now complete

## **5 Creditors**

### Secured creditors

The former administrators previously reported that Lloyds TSB Bank PLC held a fixed and floating charge over the company's assets and have been repaid in full Companies House indicates that the charge was satisfied on 26 October 2010

### Preferential creditors

No preferential claims have been received in the liquidation to date and none are expected



## Unsecured creditors

The unsecured claims received to date amount to £344,952 66

Under Rule 11 7(b) IR1986, I give notice that I am unable to declare a dividend to unsecured creditors as the funds realised were used for defraying the expenses of the liquidation

## **6 Liquidator's remuneration**

The time recorded by my staff and I for the period 31 January 2015 to 30 January 2016 totals £2,114 59, which represents 9 58 hours at an average charge out rate of £220 65 per hour

The time recorded by my staff and I for the period of my appointment totals £55,591 63, which represents 176 33 hours at an average charge out rate of £315 26 per hour

The time spent is recorded under the following classifications, in my time analysis report attached at Appendix C

- Administration and Planning
- Creditors
- Investigations
- Legal and Litigation
- Realisation of Assets

The report also provides details of the activity costs incurred by staff grade to date, together with details of charge out rates

It was approved that the Liquidator be remunerated on the basis of the time properly spent by the Liquidator and his staff in dealing with the liquidation at the meeting of creditors held on 2 April 2012 To date I have drawn the sum of £37,850 25 in respect of my fees for acting as Liquidator

Further information regarding remuneration can be found in "A Creditors' Guide to Liquidators' Remuneration", which is available for download at [http //www.griffins.net/technical/](http://www.griffins.net/technical/) A hard copy can be provided upon request

## **7 Liquidator's disbursements**

Disbursements have been incurred in accordance with Statement of Insolvency Practice 9, which defines expenses by two categories Category 1 which relate to direct expenses and can be drawn without prior approval from creditors and Category 2 which relate to indirect expenses and require a resolution from creditors to enable them to be drawn



### Category 1 Disbursements

The table below provides details of the Category 1 disbursement incurred and paid during the period covered by this report

Payee	Nature of expense incurred	Amount Incurred and paid in previous periods	Amount incurred in this period	Amount paid during this period	Amount outstanding
		£	£	£	£
Courts Advertising	Statutory Advertising	69 75	69 00	69 00	0 00
Total Data Management	Record Storage	11 88	3 96	3 96	0 00
	<b>TOTAL</b>		<b>72.96</b>	<b>72 96</b>	<b>0.00</b>

### **8 Creditors' rights**

Creditors are advised that Rule 4 49E IR1986 provides the right to request the Liquidator for further information about remuneration or expenses which have been itemised in this report

Further Rule 4 131 IR1986, provides creditors with a right to challenge the Liquidator's remuneration and expenses

Extracts of these Rules are attached at Appendix D, for your information

### **9 Next report**

I will report again following the next anniversary of the liquidation, or sooner if the administration of the liquidation is complete

Yours faithfully



**Stephen Hunt**  
Joint Liquidator  
Date



**The Magazine People Limited  
In Compulsory Liquidation**

Statutory information



**Company information**

Company name	The Magazine People Limited
Trading name	N/A
Company registration number	06350783
Nature of business	Artistic & Literary Creation
Registered office	Tavistock House South, Tavistock Square, London, WC1H 9LG
Previous registered office	Little Anwoth St Johns Road Crowborough East Sussex TN6 1RW
Trading address	1st Floor 14b Chapel Place Tunbridge Wells TN1 1YQ
Court name	High Court of Justice
Court reference	No 309 of 2012
Petitioning creditor	Stephen Hunt & Timothy Bramston – Joint Administrators

**Liquidator's details****Lead**

Name	Stephen Hunt
IP number	9183
Name of firm	Griffins
Firm's address	Tavistock House South, Tavistock Square, London, WC1H 9LG
Date of appointment	31 January 2012

**Second**

Name	Timothy Bramston
IP number	8278
Name of firm	Griffins
Firm's address	Tavistock House South, Tavistock Square, London, WC1H 9LG
Date of appointment	31 January 2012

**The Magazine People Limited  
In Compulsory Liquidation**

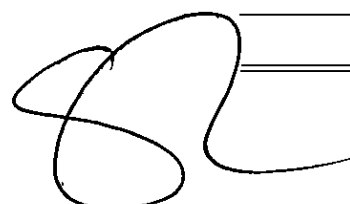
Liquidators' receipts and payments account for the period 31 January 2015 to  
30 January 2016, together with a cumulative account for the period of the liquidation



**The Magazine People Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs	From 31/01/2015 To 30/01/2016	From 31/01/2012 To 30/01/2016
<b>ASSET REALISATIONS</b>		
Handover from Administrator	NIL	903 63
Bank Interest Net of Tax	6 26	6 56
Bond Settlement	NIL	43,811 30
	<u>6 26</u>	<u>44,721 49</u>
<b>COST OF REALISATIONS</b>		
O R Remuneration	NIL	2,235 00
DTI Cheque Fees	1 25	2 85
Sec of State Fees	143 74	3,506 11
Petitioners Deposit	NIL	(1,165 00)
Liquidators Fees	(1,910 00)	37,850 25
Legal Fees from Administration	NIL	555 00
Legal Fees (1)	NIL	109 00
Legal fees (2)	NIL	1,563 10
Storage Costs	3 96	15 84
Statutory Advertising	69 00	138 75
Bank Charges	88 00	344 00
	<u>1,604 05</u>	<u>(45,154 90)</u>
<b>UNSECURED CREDITORS</b>		
(349,627 75) Trade & Expense Creditors	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<b>(349,627.75)</b>	<b><u>1,610.31</u></b>	<b><u>(433 41)</u></b>
<b>REPRESENTED BY</b>		
VAT Receivable		14 59
ISA NIB		5,646 00
Trade Creditors		(5,712 00)
VAT Payable		(382 00)

**(433.41)**



Stephen Hunt  
Joint Liquidator

**The Magazine People Limited  
In Compulsory Liquidation**

Liquidators' time analysis for the period 31 January 2015 to 30 January 2016 and for the period of my appointment, together with details of charge out rates, provided in accordance with Statement of Insolvency Practice 9



# Time Entry - Detailed SIP9 Time & Cost Summary

MAGAZ02 - The Magazine People Limited  
From 31/01/2015 To 30/01/2016  
Project Code POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Administrators	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADMIN Administration Work	0.00	0.17	0.00	0.67	1.00	1.83	365.01	199.10
CASHG Cashiering Functions	0.00	0.33	0.00	0.08	0.25	0.67	154.99	232.49
CLOSE Closing an Insolvency	0.00	0.00	0.00	0.17	0.00	0.17	23.33	139.98
CLOSING Closing an Insolvency	0.00	0.00	0.00	0.00	1.00	1.00	275.00	275.00
STATUTORY Statutory Duties	0.00	0.00	0.00	0.00	3.42	3.08	535.42	173.65
VAT Vat Returns	0.00	0.33	0.00	0.25	1.33	1.92	513.33	267.82
	0.08	0.08	0.00	0.00	0.25	0.42	110.00	264.00
<b>Administration &amp; Planning</b>	<b>0.08</b>	<b>0.92</b>	<b>0.00</b>	<b>1.17</b>	<b>7.25</b>	<b>9.08</b>	<b>1,977.08</b>	<b>217.66</b>
CRED Creditor Related Work	0.00	0.00	0.00	0.00	0.08	0.08	22.92	275.04
CREDITORS Creditors	0.00	0.00	0.00	0.00	0.42	0.42	114.59	275.02
<b>Creditors</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.50</b>	<b>0.50</b>	<b>137.51</b>	<b>275.02</b>
<b>Total Hours</b>	<b>0.08</b>	<b>0.92</b>	<b>0.00</b>	<b>1.17</b>	<b>7.75</b>	<b>9.58</b>	<b>2,114.59</b>	<b>220.85</b>
<b>Total Fees Claimed</b>							<b>37,850.25</b>	

# Time Entry - Detailed SIP9 Time & Cost Summary

MAGAZ02 - The Magazine People Limited  
From 31/01/2012 To 30/01/2016  
Project Code POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Administrators	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADMN Administration Work	0.08	3.67	0.33	0.67	13.67	17.83	5,042.52	282.76
ADVERT Advertising	0.00	0.00	0.00	0.00	0.92	0.92	229.16	249.99
CASHG Cashiering Functions	0.00	0.75	0.00	0.00	7.83	9.33	2,144.59	229.78
CASHIER Cashiering Functions	0.00	0.00	0.00	0.17	0.00	0.17	23.33	139.98
CLOSE Closing an Insolvency	0.00	0.00	0.00	0.00	7.83	7.83	2,154.17	275.00
CLOSING Closing an Insolvency	0.00	0.00	0.00	0.00	3.42	3.08	535.42	173.65
DIARY Case Diary	0.00	0.00	0.00	0.00	4.50	4.50	1,173.16	262.04
MTGS Meetings	0.00	1.67	0.00	0.00	0.00	1.67	583.34	350.00
PENS Pension Schemes Etc	0.00	0.00	0.00	0.00	0.42	0.42	129.17	310.01
REVIEWS Case Reviews	0.25	1.08	3.83	0.00	14.08	19.25	5,790.01	300.78
SIP12 Records of Meetings	0.00	0.00	0.00	0.00	0.25	0.25	62.50	250.00
SIP7 R&P Accounts	0.00	0.00	0.00	0.00	0.67	0.67	166.64	249.96
SIP9 Preparation of Remuneration	0.00	0.00	0.00	0.00	0.08	0.08	20.83	249.96
SPECBOND Specific Bond	0.00	0.00	0.00	0.00	0.33	0.33	97.08	291.24
STAT Statutory	0.08	0.08	0.00	0.00	4.50	4.67	1,289.17	276.25
STATUTORY Statutory Duties	0.00	0.33	0.00	0.25	1.33	1.92	513.33	267.82
TAX Tax	0.33	0.00	0.00	0.00	2.33	2.67	781.25	292.97
VAT Vat Returns	0.25	0.25	0.08	0.00	2.08	2.67	714.13	267.80
<b>Administration &amp; Planning</b>	<b>1.00</b>	<b>7.83</b>	<b>4.25</b>	<b>1.83</b>	<b>64.25</b>	<b>76.25</b>	<b>21,455.60</b>	<b>274.20</b>
SIP10 Proxy Form Use	0.00	0.00	0.00	0.00	0.17	0.17	41.67	250.02
PROREPORT Progress Report	0.25	1.00	0.00	0.00	4.50	5.75	1,714.58	298.19
CMETG Creditors Meetings	0.08	0.00	0.00	0.00	3.33	3.42	878.75	257.20
CRED Creditor Related Work	0.08	0.00	0.17	0.00	2.25	2.50	655.83	262.33
CREDITORS Creditors	0.00	0.00	0.00	0.00	1.00	1.00	260.43	260.43
<b>Creditors</b>	<b>0.42</b>	<b>1.00</b>	<b>0.17</b>	<b>0.00</b>	<b>11.25</b>	<b>12.83</b>	<b>3,551.26</b>	<b>276.72</b>
ANTE Antecedent Transactions	0.00	0.00	0.50	0.00	3.67	4.17	1,265.00	303.60
INV Investigation	0.00	0.92	1.25	0.00	3.17	5.33	1,634.17	306.41
BOND1 Bond Claim - Proving or Recovery of money	0.00	0.00	7.25	0.00	0.00	7.25	2,500.42	344.89
BOND2 Bond Claim Parallel Costs	0.00	0.00	0.00	0.00	0.08	0.08	20.83	249.96
SIP2 Investigation into Affairs	0.00	0.00	58.75	0.00	0.00	58.75	22,324.99	380.00
<b>Investigations</b>	<b>0.00</b>	<b>0.92</b>	<b>67.75</b>	<b>0.00</b>	<b>6.92</b>	<b>75.58</b>	<b>27,745.41</b>	<b>367.08</b>
LEGL Legal Issues	0.00	0.00	1.25	0.00	4.92	6.17	1,688.32	273.78
<b>Legal &amp; Litigation</b>	<b>0.00</b>	<b>0.00</b>	<b>1.25</b>	<b>0.00</b>	<b>4.92</b>	<b>6.17</b>	<b>1,688.32</b>	<b>273.78</b>
BOOKDEBTS Book Debts	0.00	0.00	0.00	0.00	1.33	1.33	406.67	305.00
REFUNDS Refunds	0.00	0.00	0.00	0.00	0.17	0.17	51.67	310.02
ASST Asset Realisation	0.08	0.00	0.00	0.00	0.17	0.25	98.75	395.00
ASSTLEGAL Legal	0.00	0.00	1.50	0.00	0.00	1.50	531.25	354.17
<b>Realisations of Assets</b>	<b>0.08</b>	<b>0.00</b>	<b>1.50</b>	<b>0.00</b>	<b>1.67</b>	<b>3.25</b>	<b>1,088.34</b>	<b>334.87</b>
TRADLEGAL Legal	0.00	0.00	0.00	0.00	0.25	0.25	62.50	250.00

# Time Entry - Detailed SIP9 Time & Cost Summary

MAGAZ02 - The Magazine People Limited  
From 31/01/2012 To 30/01/2016  
Project Code POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Administrators	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Trading	0 00	0 00	0 00	0 00	0 25	0 25	62.60	250 00
Total Hours	1 50	9 75	74 92	1 83	89 25	178 33	55,691 63	315 26
Total Fees Claimed							37,850 25	

## GRIFFINS POLICY ON CHARGEOUT RATES AND DISBURSEMENTS

### SCHEDULE OF STANDARD CHARGEOUT RATES IN RESPECT OF GRIFFINS PARTNERS AND STAFF AS AT 1 OCTOBER 2015

In accordance with Statement of Insolvency Practice 9 "Remuneration of Insolvency Office Holders" the following hourly charge-out rates will be applied when fixing the Officeholders Remuneration

Grade of staff	Hourly Rate
Partners	£450 - £565
Senior Managers	£400 - £450
Managers	£325 - £390
Investigators	£280 - £360
Administrators	£150 - £325
Cashiering	£100 - £275
Support	£ 70 - £200

The above rates are reviewed annually on 1 October

It is not our policy to charge for support staff (secretarial, filing, reception) unless such staff are working on an individual matter for more than 7 hours in which case the rate for an Administrator may be applied

Time is charged in minimum units of 5 minutes for all staff

### DISBURSEMENTS

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance<sup>1</sup> requires that such charges should be disclosed to those who are responsible for approving his remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at

### DEFINITIONS

Practice guidance<sup>1</sup> classifies expenses into two broad categories

- *Category 1 expenses (approval not required)* – specific expenditure that is directly related to a particular insolvency case, where the cost of the expense incurred is referable against an independent external suppliers' invoice or published tariff of charges, mileage is charged at the appropriate H M Revenue & Customs rate
- *Category 2 expenses* These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to an appointment on a proper and reasonable basis

### CHARGING POLICY

- *Category 1 expenses (approval not required)* – all such items are re-charged to the case as they are incurred.
- *Category 2 expenses (approval required)* – resolutions to be sought from creditors if these category of expenses arise

1 – Statement of Insolvency Practice 9 (England and Wales)

## **GRIFFINS HISTORIC CHARGEOUT RATES SINCE 1 OCTOBER 2009**

<b>STAFF GRADE</b>	<b>1 October 2009</b>
	£
Partners	365-440
Managers	290-300
Senior Administrators/Investigators	260-290
Administrators	140-220
Support Staff	70-170

<b>STAFF GRADE</b>	<b>1 October 2010</b>	<b>1 October 2011</b>	<b>1 October 2012</b>
	£	£	£
Partners	495	495-545	495-545
Managers	300-350	300-395	300-395
Senior Investigators	300-350	325-380	325-380
Administrators/Investigators	180-280	200-300	200-300
Junior Administrators/Junior Investigators	140-190	145-190	145-250
Support Staff	70-170	70-180	70-180

<b>STAFF GRADE</b>	<b>1 October 2013</b>	<b>1 May 2014</b>
	£	£
Partners	495-565	450-565
Managers	300-400	300-450
Senior Investigators	325-385	325-425
Administrators/Investigators	200-310	200-360
Junior Administrators/Junior Investigators	150-250	150-250
Support Staff	70-220	70-220

<b>STAFF GRADE</b>	<b>1 October 2014</b>
	£
Partners	450-565
Managers	325-450
Investigators	285-380
Administrators	150-310
Support/Cashier Managers	220-275
Support/Cashier Staff	70-180

The above rates are reviewed annually on 1 October, however following the appointment of a new partner on the 1 May 2014 a rate review took place

It is not our policy to charge for support staff (secretarial, filing, reception) unless such staff are working on an individual matter for more than 7 hours in which case the rate for an Administrator may be applied

Time is charged in minimum units of 5 minutes for all staff

**The Magazine People Limited  
In Compulsory Liquidation**

Creditors' rights - Rules 4 49E and 4 131 of the Insolvency Rules 1986



## **Rule 4.49E Creditors' and members' request for further information**

### **4.49E(1) If—**

#### **(a) within the period mentioned in paragraph (2)—**

- (i) a secured creditor, or
  - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
  - (iii) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company,
- or

#### **(b) with the permission of the court upon an application made within the period mentioned in paragraph (2)—**

- (i) any unsecured creditor, or
- (ii) any member of the company in a members' voluntary winding up,

makes a request in writing to the liquidator for further information about remuneration or expenses set out in the progress report in accordance with Rule 4 49B(1)(e) or (f) (including by virtue of Rule 4 49C(5)) or in a draft report under Rule 4 49D, the liquidator must within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter in a draft report under Rule 4 49D or a progress report required by Rule 4 108 which (in either case) was previously included in a progress report not required by Rule 4 108

### **4.49E(2) The period referred to in paragraph (1)(a) and (b) is—**

- (a)** 7 business days of receipt (by the last of them in the case of an application by more than one member) of the progress report where it is required by Rule 4 108, and
- (b)** 21 days of receipt (by the last of them in the case of an application by more than one member) of the report or draft report in any other case

### **4.49E(3) The liquidator complies with this paragraph by either—**

- (a)** providing all of the information asked for, or
- (b)** so far as the liquidator considers that—
  - (i) the time or cost of preparation of the information would be excessive, or
  - (ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
  - (iii) the liquidator is subject to an obligation of confidentiality in respect of the information,

giving reasons for not providing all of the information

**4.49E(4)** Any creditor, and any member of the company in a members' voluntary winding up, who need not be the same as the creditors or members who asked for the information, may apply to the court within 21 days of—

- (a)** the giving by the liquidator of reasons for not providing all of the information asked for, or
- (b)** the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just

**4.49E(5)** Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks or, as the case may be, 4 weeks provided for in Rule 4 131(1B) or 4 148C(2) by such further period as the court thinks just

**4.49E(6)** This Rule does not apply where the liquidator is the official receiver

## **Rule 4.131 Creditors' claim that remuneration is or other expenses are excessive**

**4.131(1)** Any secured creditor, or any unsecured creditor, with the concurrence of at least 10 per cent in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more orders in paragraph (4)

**4.131(1A)** Application may be made on the grounds that—

- (a) the remuneration charged by the liquidator,
- (b) the basis fixed for the liquidator's remuneration under Rule 4 127, or
- (c) expenses incurred by the liquidator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

**4.131(1B)** The application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or, in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report, or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report") "

**4.131(2)** The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice but which is without notice to any other party

If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

**4.131(3)** The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

**4.131(4)** If the court considers the application to be well-founded, it must make one or more of the following orders—

- (a) an order reducing the amount of remuneration which the liquidator was entitled to charge,
- (b) an order fixing the basis of remuneration at a reduced rate or amount,
- (c) an order changing the basis of remuneration,
- (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation,
- (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report "

**4.131(5)** Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable out of the assets