

# Liquidator's Progress Report

# S.192

Pursuant to Sections 92A and 104A and 192  
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

06652275

Name of Company

A J L Media Limited

We

Stephen Powell, 12/14 Carlton Place, Southampton, SO15 2EA

Gordon Johnston, 12/14 Carlton Place, Southampton, SO15 2EA

the liquidators of the company attach a copy of our Progress Report  
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 5 December 2015 to 4 December 2016

Signed



Date

11/1/17

HJS Recovery (UK) Ltd  
12/14 Carlton Place  
Southampton  
SO15 2EA

Ref 5577AJLX/SP/GJ/SJ/CH/JP/HS

SATURDAY



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COMPANIES HOUSE

# **Liquidators' Annual Progress Report to Creditors & Members**

**A.J.L. Media Limited  
- In Liquidation**

**11 January 2017**

## **A.J L MEDIA LIMITED - IN LIQUIDATION**

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## **A.J L MEDIA LIMITED - IN LIQUIDATION**

### **1 Introduction and Statutory Information**

- 1 1 I, Stephen Powell of HJS Recovery (UK) Ltd, was appointed as Joint Liquidator of A J L Media Limited (the Company), together with my colleague Gordon Johnston, on 5 December 2014. This progress report covers the period from 5 December 2015 to 4 December 2016 (the Period) and should be read in conjunction with any previous progress reports which have been issued.
- 1 2 The principal trading address of the Company was 77 Carnegie Crescent, St Helens, Merseyside, WA9 3LU. The business traded under the name A J L Media Limited.
- 1 3 The registered office of the Company has been changed to c/o HJS Recovery, 12-14 Carlton Place, Southampton, SO15 2EA and its registered number is 06652275.

### **2 Progress of the Liquidation**

- 2 1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period.
- 2 2 At Appendix A is a Receipts and Payments Account for the period of this report and cumulatively for the period from the date of appointment to 4 December 2016.

#### **Administration**

- 2 3 A liquidator must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. This work includes dealing with the Company's creditors and employees together with administrative tasks associated with the appointment, such as agreeing the strategy for the liquidation, filing notices of appointment, statutory advertising, opening and maintaining the estate cash book and bank accounts and reporting periodically to creditors, HMRC and the Registrar of Companies.
- 2 4 Creditors should note that this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

#### **Realisation of Assets**

- 2 5 The following assets have been realised during the period of this report.

#### **Loan to Taylor Smith Forensics**

- 2 6 Creditors will recall that there was an outstanding loan to Taylor Smith Forensics which had a book value of £13,500. It was agreed that the loan would be repaid at £500 per month and I am pleased to report that £5,504 has been received in this regard. The remaining balance will continue to be repaid in accordance with this arrangement.

#### **Recovery of Preference Payments**

- 2 7 As previously reported, our investigations highlighted a preference payment to a director / associate in the sum of £4,000. It is anticipated that these funds will be repaid.

#### **Creditors (claims and distributions)**

- 2 8 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. A Liquidator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.

## **A.J L. MEDIA LIMITED - IN LIQUIDATION**

- 2 9 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal
- 2 10 The above work will not necessarily bring any financial benefit to creditors generally, however a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims

### **Investigations**

- 2 11 You may recall from my first progress report to creditors that some of the work the Liquidator is required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors
- 2 12 Our report on the conduct of the Directors of the Company to the Department for Business Energy, & Industrial Strategy under the CDDA 1986 was submitted during the first year of the liquidation and is confidential
- 2 13 Since our last progress report we would advise that no further asset realisations have come to light that may be pursued by us for the benefit of creditors. As detailed above the preference payments previously identified will be repaid in due course once the loan to Taylor Smith Forensics has been settled

## **3 Creditors**

### **Secured and Preferential Creditors**

- 3 2 There are no secured or preferential creditors in respect of this assignment

### **Unsecured Creditors**

- 3 3 I have received claims totalling £54,742.81 from two creditors
- 3 4 Until such time that all assets have been realised I am unable to confirm if there will be a distribution to the company's unsecured creditors

## **4 Liquidators' Remuneration**

- 4 1 The Creditors approved that the basis of the Joint Liquidators' remuneration be fixed by reference to the time properly spent by them and their staff in managing the Liquidation
- 4 2 The time costs for the Period are £2,576. This represents 21.07 hours at an average rate of £122.26 per hour. Attached as Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent by this firm in managing the liquidation. To date, £5,490 plus disbursements of £581.12 has been drawn on account
- 4 3 Also attached as Appendix D is a cumulative Time Analysis for the period from 5 December 2014 to 4 December 2016 which provides details of my time costs since my appointment. The cumulative time costs incurred to date are £8,745.75. This represents 67.21 hours at an average rate of £130.13 per hour

## A.J L. MEDIA LIMITED - IN LIQUIDATION

- 4.4 In considering the remaining work to be done in this liquidation, we currently anticipate that the time costs to complete the liquidation will be approximately £5,000. We will update creditors on this in our next progress report.
- 4.5 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from [www.hjsrecovery.co.uk/publications](http://www.hjsrecovery.co.uk/publications)
- 4.6 Attached as Appendix D is additional information in relation to the Liquidators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

### 5 Creditors' Rights

- 5.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidators provide further information about his remuneration or expenses which have been itemised in this progress report.
- 5.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidators, as set out in this progress report, are excessive.

### 6 Next Report

- 6.1 We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless we have concluded matters prior to this, in which case we will write to all creditors with our final progress report ahead of convening the final meeting of creditors.

Yours faithfully




**Stephen Powell FCCA MABRP**  
Joint Liquidator

**A.J.L Media Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Appendix A

Statement of Affairs £		From 05/12/2015 To 04/12/2016 £	From 05/12/2014 To 04/12/2016 £
	<b>ASSET REALISATIONS</b>		
NIL	Computer Equipment	NIL	NIL
13,000 00	Loan to Taylor Smith Forensics Ltd	4,004 00	5,504 00
150 00	Cash at Bank	NIL	88 96
	Director's Contributions	NIL	2,500 00
4,700 00	Cash In Hand	NIL	4,700 00
	Bank Interest Gross	0 33	0 80
		<u>4,004 33</u>	<u>12,793 76</u>
	<b>COST OF REALISATIONS</b>		
	Specific Bond	NIL	60 00
	Preparation of S of A	NIL	6,000 00
	Office Holders Fees	4,780 00	5,490 00
	Office Holders Expenses	NIL	305 12
	Statutory Advertising	NIL	216 00
		<u>(4,780 00)</u>	<u>(12,071 12)</u>
	<b>UNSECURED CREDITORS</b>		
(48 00)	Trade & Expense Creditors	NIL	NIL
(21,286 26)	HM Revenue & Customs - VAT	NIL	NIL
(24,377 92)	HM Revenue & Customs - C/TAX	NIL	NIL
(7,341 25)	HM Revenue & Customs - PAYE	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>DISTRIBUTIONS</b>		
(10 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(35,213.43)</u>		<u>(775.67)</u>	<u>722.64</u>
	<b>REPRESENTED BY</b>		
	Vat Receivable		691 33
	Bank 1 Current		31 31
			<u>722.64</u>

  
 Stephen Powell  
 Joint Liquidator

## TIME AND CHARGE OUT SUMMARIES DATED 5 DECEMBER 2015 TO 4 DECEMBER 2016

Hours							
Classification of work function	Insolvency Practitioner	Manager/ Senior Manager	Supervisor	Assistants & Support Staff	Total Hours	Time Cost	Average hourly rate
Administration, Planning & Statutory Duties	0 00	0 10	0 00	12 17	12 27	£1,291 75	£105 28
Investigations	0 00	0 00	2 40	0 00	2 40	£420 00	£175 00
Realisations of assets	0 00	1 00	0 00	4 55	5 55	£744 25	£134 10
Tax reviews	0.10	0 00	0 00	0 75	0 85	£120 00	£141 18
<u>Total Hours</u>	<u>0 10</u>	<u>1 10</u>	<u>2 40</u>	<u>17 47</u>	<u>21 07</u>	-	-
<u>Total Costs</u>	<u>£35 00</u>	<u>£220 00</u>	<u>£420 00</u>	<u>£1,901 00</u>	-	<u>£2,576 00</u>	<u>£122 26</u>
Current Chargeout rates	£350	£200 - £275	£150 - £175	£50 - £125			

## TIME AND CHARGE OUT SUMMARIES DATED 5 DECEMBER 2014 TO 5 DECEMBER 2016

Hours							
Classification of work function	Insolvency Practitioner	Manager/ Senior Manager	Supervisor	Assistants & Support Staff	Total Hours	Time Cost	Average hourly rate
Administration, Planning & Statutory Duties	0.50	0 10	0 00	31 26	31 86	£3,648 25	£114 51
Investigations	1 00	0 00	11 90	1 00	13 90	£2,557 50	£183 99
Realisations of assets	0 00	1 00	0 90	17 10	19 00	£2,206 25	£116 12
Creditors	0 00	0 00	0 00	1 00	1 00	£125.00	£125 00
Tax reviews	0 20	0 00	0 00	1 25	1.45	£208 75	£143 97
<b>Total Hours</b>	<b>1 70</b>	<b>1 10</b>	<b>12 80</b>	<b>51 61</b>	<b>67 21</b>	-	-
<b>Total Costs</b>	<b>£595 00</b>	<b>£220 00</b>	<b>£2,240 00</b>	<b>£5,690 75</b>	-	<b>£8,745 75</b>	<b>£130 13</b>
Current Chargeout rates	£350	£200 - £275	£150 - £175	£50 - £125			

**Additional Information in Relation to the Liquidators' Fees, Expenses & Disbursements****1 Staff Allocation and the Use of Sub-Contractors**

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case

**2 Professional Advisors**

- 3 We have not used any professional advisors in respect of this assignment

**4 Liquidators' Expenses & Disbursements**

- 4.1 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
AUA Insolvency Risk Services – Bond Fees	£60 00	Nil	Nil	£60 00
Legal & Public – Statutory Advertising	£216 00	Nil	Nil	£292 00
Various – Travel & Subsistence	£305 12	Nil	Nil	£305 12

- 4.2 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.
- 4.3 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

## A J L MEDIA LIMITED - IN LIQUIDATION

### 5 Charge-Out Rates

- 5.1 HJS Recovery's current charge-out rates effective from 31 May 2011 are detailed below. Please note this firm records its time in minimum units of 6 minutes.

	(Per hour) £
Insolvency Practitioners	350
Senior Managers & Managers	200-275
Senior Managers & Managers	150-175
Administrators and Support Staff	50-125
Specialist departments within HJS accountants, such as Tax, VAT and Pensions, do sometimes charge a small number of hours to an assignment, should the Insolvency Partners require their expert advice. Their rates do vary however, the figures given below provide an indication of the rates charged per hour.	
Directors	110-175
Senior Managers & Managers	82-120
Supervisors	42-70
Administrators and Support Staff	20-40

Please note that we reserve the right to amend these rates from time to time during the course of the assignment, however any material amendments to these rates will be advised to creditors in the next statutory report.

## **Appendix E**

An indication of the tasks undertaken by the Joint Liquidators and their staff are detailed below

### **Administration and Planning**

- Statutory duties associated with the appointment including the filing of relevant notices,
- Notification of appointment to creditors, members, employees and other interested parties,
- Reviewing available information to determine appropriate strategy,
- Setting up case files,
- Setting up and maintaining bank accounts
- Progress reviews of the case
- Statutory reporting to creditors

### **Realisation of Assets**

Please refer to section 2 of the report, but in summary the time spent includes

- Debt collection
- Recovering Cash at Bank

### **Creditors**

- Recording and maintaining the list of creditors,
- Meetings with creditors
- Recording creditor claims,
- Dealing with creditor queries,
- Reviewing and evaluating creditor claims and providing responses

**Investigations**

- Corresponding with the former directors & management
- Recovery and schedule of the company's books and statutory records
- Conduct an analytical review of company records
- Review of questionnaires and comments provide by interested parties
- Questioning of directors and other key personnel,
- Completion of statutory report to the Department for Business, Innovation and Skills

**Tax Reviews**

- Completion of post-appointment VAT returns and Corporation Tax returns
- Review of post appointment tax matters