

AM10

Notice of administrator's progress report



Companies House

THURSDAY



QIQ *Q78KV5XU*
21/06/2018 #3
COMPANIES HOUSE

1 Company details

Company number 0 8 0 5 0 5 2 5

Company name in full Shoon (Trading) Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) N A

Surname Bennett

3 Administrator's address

Building name/number Leonard Curtis

Street 5th Floor

Grove House

Post town 248a Marylebone Road

County/Region London

Postcode N W 1 6 B B

Country

4 Administrator's name ①

Full forename(s) A D

Surname Cadwallader

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Leonard Curtis

Street 5th Floor

Grove House

Post town 248a Marylebone Road

County/Region London

Postcode N W 1 6 B B

Country

② Other administrator
Use this section to tell us about
another administrator.

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6 Period of progress report

From date	d	2	d	4	m	1	m	1	y	2	y	0	y	1	y	7
To date	d	2	d	3	m	0	m	5	y	2	y	0	y	1	y	8

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

d	2	d	0	m	0	m	6	y	2	y	0	y	1	y	8
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LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

SHOON (TRADING) LIMITED
(IN ADMINISTRATION)

Registered Number: 08050525

Court Ref: CR-2017-008769

High Court of Justice, Business and Property Courts of England and Wales

**Joint Administrators' first progress report in accordance
with Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

Report Period: 24 November 2017 to 23 May 2018

Report Date: 20 June 2018

N A Bennett and A D Cadwallader - Joint Administrators
Leonard Curtis
5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB
Tel: 020 7535 7000 Fax: 020 7723 6059
General email: creditors@leonardcurtis.co.uk
Ref: L/18/DH/SHO05/1010

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NOT FOR PUBLICATION**

**TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS**

1 INTRODUCTION

This report has been produced in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 ("the Rules") to provide creditors with an update on the progress of the Administration of Shoon (Trading) Limited ("the Company") for the period from 24 November 2017 to 23 May 2018. This is the Joint Administrators' first progress report to creditors.

2 STATUTORY INFORMATION

- 2.1 N A Bennett and A D Cadwallader were appointed as Joint Administrators of the Company in the jurisdiction of High Court of Justice, Business and Property Courts of England and Wales, under court number CR-2017-008769 on 24 November 2017. The Administration appointment was made by the Director. The Joint Administrators can confirm that there has been no change in office-holder since the date of Administration.
- 2.2 The Administration is being handled by the London office of Leonard Curtis, which is situated at 5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB.
- 2.3 The principal trading address of the Company was Mendip Court, Bath Road, Wells, Somerset BA5 3DG. The business traded under its registered name.
- 2.4 The registered office address of the Company at the date of the appointment of the Joint Administrators was Mendip Court, Bath Road, Wells, Somerset BA5 3DG. Following the appointment, this was changed to 5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB. The registered number of the Company is 08050525.
- 2.5 For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended) ("the Act"), it should be noted that during the period in which the Administration is in force, any act or function required or authorised under any enactment to be done by the Joint Administrators may be exercised by all or any of the persons holding that office.
- 2.6 The Company's main centre of operations is based in the UK. The Recast EU Regulation on Insolvency Proceedings ("the Regulation") applies and the proceedings are main proceedings under the Regulation.

3 JOINT ADMINISTRATORS' PROPOSALS

- 3.1 Attached at Appendix A is a summary of the Joint Administrators' approved proposals for achieving one of the three statutory purposes of Administration.
- 3.2 The Proposals were deemed approved by creditors on 21 December 2017.
- 3.3 There have been no major amendments to, or deviations from, the Proposals during the course of the Administration to date.
- 3.4 The objective of the Administration is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were to be wound up (without first being in Administration).

3.5 It is considered that this objective has been achieved due to the enhancement of asset values as a result of the going concern sale of business, and mitigation of employee and landlord claims.

3.6 The Joint Administrators have also paid a fixed charge distribution to the Company's secured creditor, which would otherwise satisfy the third objective of Administration.

4 PROGRESS OF THE ADMINISTRATION

4.1 Attached at Appendix B is the Joint Administrators' receipts and payments account for the period from 24 November 2017 to 23 May 2018.

4.2 Sale of Business

As previously reported to creditors, the business and assets of the Company were sold on 24 November 2017 to The Shoot Shoe Company Ltd ('the Purchaser'), a company unconnected to the Company.

The agreed sale consideration was £140,000 all of which was payable on completion.

Payments have been received as specified in the sale agreement and the total sale consideration has now been received, although consideration of £70,000 is currently being held by the Joint Administrators' solicitors, Gateley Plc ("Gateley"). These funds will be remitted to the Administration shortly.

4.3 Cash In Hand

The Company had cash in hand of £989 at the date of Administration. This has been recovered into the Administration estate account.

4.4 Balance at Bank

The Company's statement of affairs showed cash at bank of £4,500 at the date of Administration. Following their appointment the Joint Administrators wrote to the Company's bankers requesting the closure of the account and remittance of the closing balance to the Administration estate account. The Company's bankers have confirmed that there was no cash at bank balance at the date of Administration.

4.5 Other Debtors

The Company's management accounts for the period ended 30 September 2017 show other debtors of £298,900. These debts primarily relate to intercompany balances due from connected parties. These debts are subject to set off against intercompany payable balances. The Joint Administrators have confirmed that there are no outstanding balances that can be recovered in the Administration.

5 ASSETS STILL TO BE REALISED

All asset realisations in the Administration have been concluded, although the Joint Administrators are currently awaiting remittance of the final balance of funds held by Gateley, which will be received shortly.

6 INVESTIGATIONS

6.1 Following their appointment, the Joint Administrators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.

- 6.2 That assessment did not identify any possible further realisations. In addition, the Joint Administrators concluded that no further investigations were required. If, however, any creditor is aware of any particular matters which they consider require investigation, they should please send full details to this office at the address given at the front of this report.
- 6.3 Regardless of the above, the Joint Administrators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

7 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

Pre-Administration Costs

- 7.1 The Joint Administrators have incurred the following pre-Administration costs, which were disclosed in the Joint Administrators report and Proposals issued in accordance with Paragraph 49 of Schedule B1 to the Act:

Charged by	Services provided	Total amount charged £	Amount paid £	Amount unpaid £
Leonard Curtis	Meeting with the director, assessing that Administration was the appropriate route, assisting with marketing of the company and negotiation of the sale to the Purchaser	16,085	Nil	16,085
Axia Valuation Services	Valuation of plant & machinery, assistance with Marketing of the Company, assistance with negotiation of the terms of the sale and providing a recommendation in respect of the offers received	10,000	Nil	10,000
Gateley Plc	Dealing with sale contract and appointment documentation, providing general legal advice	10,000	Nil	10,000
	Total	36,085	Nil	36,085

- 7.2 In the absence of a Creditors' Committee the approval of the Joint Administrators pre-Administration costs rests with the Company's secured creditor, TNUI Asset Finance Limited ("the Secured Creditor"). The Joint Administrators' pre-Administration costs are yet to be approved by the Secured Creditor.
- 7.3 The outstanding pre-Administration costs will be discharged once approval has been received from the Secured Creditor.

Joint Administrators' Remuneration

- 7.4 In the absence of a Creditors' Committee the Joint Administrators have sought approval from the Secured Creditor as to the basis of their fees and disbursements. It is proposed that the Joint Administrators fees be fixed by reference to time costs properly incurred by them and their staff in attending to matters arising during the course of the Administration, and subject to the Fees Estimate detailed in their report and Proposals. The Secured Creditor has yet to agree to the basis of the Joint Administrators' remuneration, however, it is anticipated that this will be received shortly.

- 7.5 The time charged by the Joint Administrators for the period of this report amounts to £45,580. This represents 187.0 hours at an average rate of £243.74 per hour. A summary of time costs incurred in the period is set out at Appendix C, together with a detailed description of work undertaken in the period, attributable to each category of time costs, and an explanation of why it was necessary for that work to be performed. We also detail where further work is expected to be undertaken and why.
- 7.6 Attached, at Appendix D, is a summary of time costs incurred to date compared with time costs as set out in the Joint Administrators' original Fees Estimate.
- 7.7 You will note that time costs incurred to date do not exceed the time as set out in the Fees Estimate. As demonstrated at Appendix D, costs attributable to each category of time generally fall within those anticipated.
- 7.8 The Administration is not yet complete and it is therefore anticipated that further time costs will be incurred in dealing with this matter. The Joint Administrators have agreed to restrict their post Administration time costs with the Secured Creditor. It is not anticipated that fees will be recovered in excess of the level of the initial Fees Estimate, regardless of the level of time costs ultimately incurred. The information provided above is therefore for information purposes only.
- 7.9 Further guidance may be found in "A Creditors' Guide to Administrators' Fees" which may be downloaded from:
<https://www.r3.org.uk/what-we-do/publications/professional/fees>
- 7.10 If you would prefer this to be sent to you in hard copy please contact Dane O'Hara of this office on 020 7535 7000.
- 7.11 No remuneration has been drawn to date. The Joint Administrators outstanding fees will be recovered once their basis has been approved by the Secured Creditor.

8 JOINT ADMINISTRATORS' EXPENSES

- 8.1 Creditors will recall that the Joint Administrators have previously circulated a 'Statement of Likely Expenses' in this matter.

Expenses are separated into the following categories:

- (i) Standard Expenses: this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.
- (ii) Case Specific Expenses: this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in a particular case. Also included within this category are costs that are directly referable to the Administration but are not paid to an independent third party (and which may include an element of allocated costs).

These are known as "Category 2 disbursements" and are subject to the approval of the creditors. In the absence of a Creditors' Committee approval of the recovery of Category 2 disbursements has been sought from the Secured Creditor, although such approval has not yet been received.

- 8.2 A copy of the Joint Administrators' statement of likely expenses, together with comparative details of expenses incurred during the current reporting period and confirmation as to whether those amounts are paid or unpaid is set out at Appendix E.
- 8.3 You will note that, in general, the nature and value of expenses incurred to date fall within those anticipated within the original statement of expenses.

- 8.4 Attached at Appendix F is additional information in relation to the firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade.
- 8.5 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or with the permission of the Court, may make a written request to the Joint Administrators for further information about remuneration or expenses set out in this report.
- 8.6 Under Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the Court, may apply to the Court, on the grounds that the basis fixed for the Joint Administrators' remuneration is inappropriate, or the remuneration or expenses charged by the Joint Administrators are, in all the circumstances, excessive.
- 8.7 The application must be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question.
- 8.8 Unless the Court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the Administration.

9 ESTIMATED OUTCOME FOR CREDITORS

- 9.1 In order to assist the various classes of creditors in assessing the quantum of any dividend which may or may not be payable to them, we have produced an Estimated Outcome Statement. This is attached at Appendix G.

9.2 Secured Creditors

TNUI Asset Finance Limited is the Company's sole secured creditor, having taken assignment of all securities registered against the Company at Companies House. The balance outstanding to the Secured Creditor at the date of Administration was £6.2 million.

The Secured Creditor has received a fixed charge distribution of £60,000 from the Administration to date. It is anticipated that the secured creditor will receive a further fixed charge distribution from the Administration, but will ultimately suffer a significant shortfall.

9.3 Preferential Claims

Following the Administration four of the Company's stores and one of the concessions were closed, together with its head office. The staff employed at these stores were made redundant with effect from the date of Administration. Insol (HR) Limited, a firm of specialist ERA advisors, were instructed to assist with employee claims and they have estimated that there will be preferential claims of £27,274.

It is not anticipated that there will be sufficient funds to pay a preferential distribution.

9.4 Prescribed Part

The Act provides that, where a company has created a floating charge after 15 September 2003, the Joint Administrators must make a prescribed part of the Company's net property available to the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims.

Based upon the information currently available, it is not anticipated that the net property in this case will reach the prescribed minimum and we consider that the cost of making a distribution of the prescribed part funds in this case to be disproportionate to the benefits. Accordingly, we do not intend to set aside a prescribed part in this case, although this position may change if there are additional floating charge realisations in the Administration.

9.5 Unsecured Non-Preferential Claims

It is considered unlikely that there will be sufficient funds available to enable any form of distribution to unsecured creditors.

From April 2017, the Joint Administrators have had the discretion to admit claims from creditors with claims under £1,000 without receiving a proof of debt. The Joint Administrators confirm that, to date, no claims have been admitted under the small claims provisions.

10 MATTERS STILL TO BE DEALT WITH

Matters still to be dealt with before conclusion of the Administration include the following:

- Recovery of the final consideration sums from Gateley.
- Conclusion of the ongoing licenses to occupy granted to the Purchaser.
- Making a final fixed charge distribution to the Secured Creditor.
- Discharging the outstanding costs and expenses of the Administration.

11 EXTENSIONS TO THE ADMINISTRATION

- 11.1 The appointment of Joint Administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.
- 11.2 In certain circumstances it may be necessary to extend the Joint Administrators' term of office. In the context of this case, this may be done for a specified period not exceeding twelve months with the consent of the Secured Creditor.
- 11.3 We do not believe that an extension to the Administration will be necessary in this case.
- 11.4 The Joint Administrators will be discharged from liability immediately upon their appointment as Joint Administrators ceasing to have effect.

12 NEXT REPORT

The Joint Administrators are required to provide a progress report which must be delivered within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.

13 DATA PROTECTION

Finally, when submitting details of your claim in the Administration, you may disclose personal data to us. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. We act as Data Controller in respect of personal data we obtain in relation to this administration and are therefore responsible for complying with Data Protection Law in respect of any personal data we process. Our privacy notice, which is attached to this letter at Appendix I, explains how we process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

SHOON (TRADING) LIMITED – IN ADMINISTRATION

If you wish to discuss the issues raised in this report or require any additional information, please contact this office.

Yours faithfully
for and on behalf of
SHOON (TRADING) LIMITED



N A BENNETT
JOINT ADMINISTRATOR

N A Bennett is authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners Association under office holder number 9083 and A D Cadwallader is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales under office holder number 9501

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

SUMMARY OF JOINT ADMINISTRATORS' APPROVED PROPOSALS

1. The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration.
2. If appropriate, the Joint Administrators take any action they consider necessary with a view to the approval of a Company Voluntary Arrangement ("CVA") or Scheme of Arrangement in relation to the Company.
3. If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation. It is further proposed that N A Bennett and/or A D Cadwallader be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB. Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
4. Alternatively, if appropriate, the Joint Administrators apply to Court under Para 65 (3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured creditors within the Administration.
5. In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved.
6. The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
7. The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that N A Bennett and/or A D Cadwallader be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them.
8. The Joint Administrators shall do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986, as they consider desirable or expedient to achieve the statutory purpose of the Administration.

APPENDIX B

Summary of Joint Administrators' Receipts and Payments from 24 November 2017 to 23 May 2018

	Statement of Affairs £	Fixed Account £	Floating Account £	Total £
Receipts				
Intellectual Property and Goodwill	110,000	60,000.00	-	60,000.00
Cash in Hand	989	-	1,188.80	1,188.80
Stock	25,000	-	10,000.00	10,000.00
	<u>135,989</u>	<u>60,000.00</u>	<u>11,188.80</u>	<u>71,188.80</u>
Deposit Interest Gross		0.57	0.54	1.11
		<u>60,000.57</u>	<u>11,189.34</u>	<u>71,189.91</u>
Payments				
Bank Charges		0.57	-	0.57
Other Professional Fees		-	2,340.00	2,340.00
Property Charges		-	365.00	365.00
Rent		-	1,295.00	1,295.00
		<u>0.57</u>	<u>4,000.00</u>	<u>4,000.57</u>
Distributions				
TNUI Asset Finance Limited - Fixed Charge Distribution		60,000.00	-	-
Balance in Hand		<u>-</u>	<u>7,189.34</u>	<u>7,189.34</u>
Represented By				
Fixed Charge Account		-	-	-
Floating Charge Account		-	6,721.34	6,721.34
VAT Receivable		-	468.00	468.00
		<u>-</u>	<u>7,189.34</u>	<u>7,189.34</u>

NOTES: Third party funds held by the Joint Administrators

Licence Fee Account

Receipts	£
Licence Fees	81,091.00
Bank Interest Gross	0.93
	<u>81,091.93</u>

Payments	
Rent	73,787.61
	<u>73,787.61</u>

Balance in Hand	<u>7,304.32</u>
------------------------	------------------------

Represented by	
Licence Fee Account	331.83
VAT Receivable	6,972.49
	<u>7,304.32</u>

Suspense Account

Receipts	£
Concession Fee	12,056.34
Bank Interest Gross	0.80
	<u>12,056.34</u>

Payments	
	<u>-</u>

Balance in Hand	<u>12,056.34</u>
------------------------	-------------------------

Represented By	
Suspense Account	12,056.34
	<u>12,056.34</u>

Shoon (Trading) Limited
(In Administration)

Summary of Joint Administrators' Time Costs for the period from 24 November 2017 to 23 May 2018

	Director		Senior Manager		Manager 1		Manager 2		Administrator 1		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	3	135.00	19	779.00	-	-	7	224.00	-	-	31	465.00	60	1,603.00	267.17
Receipts & Payments	-	-	-	-	-	-	1	32.00	-	-	26	390.00	27	422.00	156.30
Insurance	-	-	-	-	-	-	3	96.00	-	-	22	330.00	25	426.00	170.40
Assets	4	180.00	21	861.00	59	2,153.50	127	4,064.00	-	-	53	795.00	264	8,053.50	305.06
Liabilities	1	45.00	11	451.00	13	474.50	145	4,640.00	1	26.00	299	4,485.00	470	10,121.50	215.35
Landlords	-	-	11	451.00	-	-	63	2,016.00	-	-	176	2,640.00	250	5,107.00	204.28
Debtenture Holder	-	-	5	205.00	-	-	21	672.00	-	-	3	45.00	29	922.00	317.93
General Administration	3	135.00	5	205.00	11	401.50	31	992.00	-	-	146	2,190.00	196	3,923.50	200.18
Appointment	4	180.00	2	82.00	5	182.50	24	768.00	42	1,092.00	75	1,125.00	152	3,429.50	225.63
Post Appointment Creditor Reporting	17	765.00	48	1,968.00	-	-	210	6,720.00	-	-	54	810.00	329	10,263.00	311.95
Investigations	-	-	-	-	-	-	17	544.00	-	-	51	765.00	68	1,309.00	192.50
Total	32	1,440.00	122	5,002.00	88	3,212.00	649	20,768.00	43	1,118.00	936	14,040.00	1,870	45,580.00	
Average Hourly Rate (£)	450.00		410.00		365.00		320.00		260.00		150.00		243.74		

All Units are 6 minutes

DESCRIPTION OF TIME SPENT BY CATEGORY

Statutory and Review

This category of activity encompasses work undertaken for both statutory and case management purposes. Whilst this work will not directly result in any monetary value for creditors, it will ensure that the case is managed efficiently and resourced appropriately, which will be of benefit to all creditors. The work carried out under this category comprised the following:

- Case management reviews. These will be carried out periodically throughout the life of the case. In the early stages of the case this involved weekly team meetings to discuss and agree case strategy and a month 1 review by the firm's Compliance team to ensure that all statutory and best practice matters have been dealt with appropriately. As the case progresses we will carry out regular reviews to ensure that the case is progressing as planned. One such progress review has been carried out to date.
- Allocation of staff, management of staff, case resourcing and budgeting – considering the complexities of the case, an assistant manager will be responsible for the day to day administration, assisted by an administrator. Senior management and the office holders will oversee case progression.
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9.
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice.
- The team is required under the Company Directors Disqualification Act 1986 ("CDDA") to review the Company's records and consider information provided by creditors on the conduct of the all directors involved in the Company during the three years leading up to the insolvency. This exercise has been completed and resulted in the preparation and submission of statutory returns or reports on all directors to the Insolvency Service. Evidence of unfit conduct can result in directors being disqualified for periods of up to 15 years.
- Review of directors' statement of affairs and filing of document at Companies House in accordance with statutory requirements.

Receipts and Payments

This category of work will not result in a direct financial benefit for creditors. However, close monitoring of case bank accounts is essential to ensure that bank interest is maximised where possible, estate expenses are properly managed and kept to a minimum and amounts payable to creditors are identified and distributed promptly.

- Opening of case bank accounts.
- Management of case bank accounts to ensure compliance with relevant risk management procedures.
- Regular review of case bank accounts by senior member of staff to ensure that fixed and floating charge assets have been properly identified and prescribed part funds have been set aside, where appropriate.
- Timely completion of all post appointment tax and VAT returns.
- Managing estate expenses.

All of the above have been carried out and will continue as the Administration progresses.

Insurance, Bonding and Pensions

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect company assets (see insurance and bonding matters below), whilst requirements in respect of company pension schemes are there to protect the pension funds of Company employees. Whilst there is no direct financial benefit to Company creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of creditor.

- Reviewing and progressing any pre-appointment insurance claims – we are not currently aware of any such issues but will undertake a review of the Company's pre-Administration insurance policies and confirm if any such claims are in progress.

SHOON (TRADING) LIMITED – IN ADMINISTRATION

- Calculation and request of Joint Administrators' bond in accordance with the Insolvency Practitioners' Regulations 2005. A bond is a legal requirement on all Administrations and is essentially an insurance policy to protect creditors against the fraud or dishonesty of the Insolvency Practitioner. The bond is calculated by reference to the value of assets which are estimated before costs to be available to unsecured creditors.
- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice.
- Instruction of professional advisors for completion and submission of statutory notifications under the Pensions Act 2004. This includes liaising with the Company's director to establish the existence of Company pension schemes, making the statutory notifications under s22 and s120 of the pensions legislation; liaising with pensions providers to understand the nature of the scheme, and submitting claims to the Redundancy Payments Service for reimbursement of unpaid contributions to the scheme.
- Liaising with pension companies to arrange for prompt wind up of schemes, assignment or other activity required to conclude the Company's interest in the scheme.

Assets

- Completion of the going concern sale of the Company's business and assets shortly following the Administration.
- Attending Company premises' closing as part of the Administration, securing the Company's assets at these sites and securing the sites in preparation for return to the landlords.
- Agreeing strategy for realisation of Company's residual assets following the going concern sale of the Company's business and assets shortly following the Administration.
- Dealing with post sale conditions, recovery of sale consideration and perfecting assignment of certain of the Company's intellectual property rights.
- Dealing with ongoing instruction of agents to assist with the disposal of residual assets following completion of the sale of the Company's business and assets on appointment.
- Liaising with Company's bankers re pre-appointment bank accounts, including closure of the Company's accounts and recovery of any cash at bank balances held, although the Company's bankers confirmed no balances were held.
- Identification and return of third party assets.
- Identification and dealing with any assets subject to retention of title and dealing with such claims, in conjunction with the Purchaser of the Company's business and assets.
- Dealing with the recovery of the Company's cash in hand balances.
- Review of the Company's intercompany receivable balances.

Liabilities

This category of time includes both statutory and non-statutory matters.

Statutory

- Processing of claims from the Company's creditors – as it is not anticipated that there will be a dividend to unsecured creditors the Joint Administrators have not undertaken a review of creditor claims received, but are recording them for the sake of good order.
- Processing of claims from the Company's employees.
- Preparation, review and submission of pre-appointment tax and VAT returns.

Non-statutory

- Dealing with enquiries from the Company's creditors – a significant number of queries have been received and dealt with by the Joint Administrators.
- Dealing with enquiries from the Company's employees and liaising with Insol (HR) Limited regarding employee claims received.

Landlords

- Review of current leases in respect of the Company's premises'. The Company operated from a total of 10 sites, of which six remained in the Company's care following the going concern sale of the Company's business and assets to the Purchaser.
- Liaising with landlords in respect of premises', including the return of the premises' to the landlords and agreeing surrenders in respect of these premises.
- Retaining the Company's head office premises for a short time to enable certain assets and Company records to be recovered from this site.

To date five of the six leases have been surrendered or assigned.

General Administration

This category of work does not result in a direct financial benefit for creditors; however it is necessary for these tasks to be completed in order to ensure the smooth and efficient progression of the Administration:

- General planning matters.
- Setting up and maintaining the Joint Administrators' records.
- Arranging collection and storage of Company records.
- Dealing with general correspondence and communicating with directors and shareholders.

All of the above has been carried out and will continue as the Administration progresses.

Appointment

There are certain tasks which the Joint Administrators have a statutory obligation to undertake during the administration process. Other tasks are completed in order to ensure the Administration is progressed to the benefit of all creditors and stakeholders. Actions completed to date are both statutory and non-statutory and include the following:

- Statutory notifications to creditors and other interested parties following the Joint Administrators' appointment.
- Preparation of case plan.
- Formulation of case strategy, including recording of any strategic decisions.

Post Appointment Creditor Reporting

Agreeing and reporting on our proposals and fee basis is a statutory requirement. Work completed to date includes the following:

- Preparation of Joint Administrators' Proposals for achieving a statutory purpose of the Administration.
- Preparation of Fees Estimate and Statement of Expenses in accordance with the Rules.
- Convening a decision of the Company's Secured Creditor to agree Fees Estimate and other resolutions in connection with the Joint Administrators' Proposals and remuneration.

Further work will be incurred in this category relating to the reporting on the outcome of the decision of the Secured Creditor and preparation and submission of periodic progress reports to creditors, including this report, and it is anticipated that there will be a further final progress report issued in the Administration.

Investigations

- Collecting and reviewing the Company's records.
- Review of the Company's financial account and bank statements to identify any antecedent transactions that can be recovered for the benefit of creditors, if appropriate.
- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations and enable the submission of returns due under the CDDA.

**SUMMARY OF JOINT ADMINISTRATORS' TOTAL TIME COSTS TO DATE
INCORPORATING A COMPARISON WITH THE JOINT ADMINISTRATORS' APPROVED FEE ESTIMATE**

	Fees Estimated			Incurred to Date			Variance		
	Total		Average	Total		Average	Total		
	Units	Cost £	Hourly Rate £	Units	Cost £	Hourly Rate £	Units	Cost £	
Statutory & Review	66	1,821	275.91	60	1,603.00	267.17	(6)	(218.00)	
Receipts & Payments	63	1,674	265.71	27	422.00	156.30	(36)	(1,252.00)	
Insurance	25	572	228.80	25	426.00	170.40	-	(146.00)	
Assets	308	8,881	288.34	264	8,053.50	305.06	(44)	(827.50)	
Liabilities	502	12,425	247.50	470	10,121.50	215.35	(32)	(2,303.00)	
Landlords	140	4,375	312.50	250	5,107.00	204.28	110	732.00	
Debenture Holder	146	4,372	299.45	29	922.00	317.93	(117)	(3,450.00)	
General Administration	211	5,306	251.47	196	3,923.50	200.18	(15)	(1,382.50)	
Appointment	63	1,843	292.46	152	3,429.50	225.63	89	1,587.00	
Post Appointment Creditor Reporting	329	10,661	324.04	329	10,263.00	311.95	-	(398.00)	
Investigations	79	1,817	230.00	68	1,309.00	192.50	(11)	(508.00)	
Total	1,932	53,746.00		1,870	45,580.00		(62)	(8,166)	

All Units are 6 minutes

**SUMMARY OF JOINT ADMINISTRATORS' EXPENSES
FROM 24 NOVEMBER 2017 TO 23 MAY 2018
INCORPORATING A COMPARISON OF THE JOINT ADMINISTRATORS'
STATEMENT OF LIKELY EXPENSES**

Standard Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
AML Checks	Business Tax Centre	Electronic client verification	5.00	5.00	5.00	-	5.00
Bond Fee	AUA Insolvency Risk Services	Insurance bond	180.00	90.00	90.00	-	90.00
Company Searches	Companies House	Extraction of company information from Companies House	5.00	-	-	-	-
Document Hosting	Pelstar Computing	Hosting of documents for creditors	21.00	56.00	56.00	-	56.00
Software Licence Fee	Pelstar Computing	Case management system licence fee	87.00	87.00	87.00	-	87.00
Statutory Advertising	Courts Advertising	Advertising	166.00	83.02	83.02	-	83.02
Storage Costs	Total Data Management	Storage of books and records	400.00	1,602.15	1,602.15	-	1,602.15
Post Redirection	Royal Mail	Redirection of post	185.00	-	-	-	-
Travel	Leonard Curtis	Travel to sites	-	77.25	77.25	-	77.25
		Total standard expenses	1,049.00	2,000.42	2,000.42	-	2,000.42

Case Specific Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Legal Fees	Gateley Plc	Costs of appointed solicitors	2,000.00	8,000.00	8,000.00	Nil	8,000.00
Agent's Fees	Axia Valuation Service	Costs of appointed agent	5,000.00	5,000.00	5,000.00	Nil	5,000.00
ERA Advisors Costs	Insol Group	Costs of appointed ERA advisor	500.00	2,340.00	2,340.00	2,340.00	Nil
Pension Advisors Fees	Clumber Consultancy	Costs of appointment Pension Advisor	400.00	Nil	Nil	Nil	Nil
Postage	Leonard Curtis	Category 2 disbursement requiring specific creditor / committee approval	100.00	76.48	76.48	76.48	Nil
Copying	Leonard Curtis	Category 2 disbursement requiring specific creditor / committee approval	100.00	24.40	24.40	24.40	Nil
		Total case specific expenses	8,100.00	15,441.23	15,441.23	2,440.88	13,000.00

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

The following Leonard Curtis policy information is considered to be relevant to creditors:

Staff Allocation and Charge Out Rates

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

	Standard	Complex
	£	£
Director	450	562
Senior Manager	410	512
Manager 1	365	456
Manager 2	320	400
Administrator 1	260	325
Administrator 2	230	287
Administrator 3	210	262
Administrator 4	150	187
Support	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, who may be used for non-contentious matters pertaining to the insolvency appointment.

Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

SHOON (TRADING) LIMITED – IN ADMINISTRATION

Type	Description	Amount																								
AML checks	Electronic client verification in compliance with the Money Laundering Regulations 2007	£5.00 plus VAT per individual																								
Bond / Bordereau fee	Insurance bond to protect the insolvent entity against and losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting	Hosting of documents for creditors/shareholders	<table><tr><th>Type</th><th>First 100</th><th>Every addtl 10</th></tr><tr><td>ADM</td><td>£14.00</td><td>£1.40</td></tr><tr><td>CVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>MVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CPL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CVA</td><td>£10.00</td><td>£1.00</td></tr><tr><td>BKY</td><td>£10.00</td><td>£1.00</td></tr><tr><td>IVA</td><td colspan="2">£10 p.a. or £25 for life of case</td></tr></table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
Type	First 100	Every addtl 10																								
ADM	£14.00	£1.40																								
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CVA	£10.00	£1.00																								
BKY	£10.00	£1.00																								
IVA	£10 p.a. or £25 for life of case																									
Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £204.00 3-6 months £303.00 6-12 months £490.00																								
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case																								
Statutory advertising	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£83.02 plus VAT per advert Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges																								

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions.	Time costs plus disbursements plus VAT
Other disbursements	See disbursements section below	See disbursements section below

Disbursements

Included within both of the above categories of expenses are disbursements, being amounts paid firstly by Leonard Curtis on behalf of the insolvent entity and then recovered from the entity at a later stage. These are described as Category 1 and Category 2 disbursements.

- a) Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) Category 2 disbursements: 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 the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for 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:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£81.25 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

APPENDIX G

ESTIMATED OUTCOME STATEMENT

	Secured £'000	Financed £'000	Preferential £'000	Unsecured £'000
Amount available to class of creditor	90,000	N/a	Nil	Nil
Amount due to creditor per Estimated Statement of Affairs	6,229,689	N/a	29,274	1,616,678
Estimated dividend rate (as a %)	1.4%	N/a	0.0%	0.0%

Proof of Debt – General Form
Relevant date: 24 November 2017

Name of Company in Administration:

Shoon (Trading) Limited

Company registered number:

08050525

1. Name of creditor (if a company, provide registration number)

2. Correspondence address of creditor (including email address)

3. Total amount of claim (£) at relevant date (include any Value Added Tax)

4. If amount in 3 above includes outstanding uncapitalised interest, state amount (£)

5. Details of how and when the debt was incurred (if you need more space attach a continuation sheet to this form)

6. Details of any security held, the value of the security and the date it was given

7. Details of any reservation of title claimed in respect of goods supplied to which the debt relates

--

8. Details of any document by reference to which the debt relates

--

9. Signature of creditor (or person authorised to act on the creditor's behalf)

--

10. Date of signing:

--

11. Address of person signing (if different from 2 above)

--

12. Name in BLOCK LETTERS

--

13. Position with, or relation to, creditor

--

Notes:

1. There is no need to attach them now but the office-holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.
2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office-holder. If completing on behalf of the company, please state your relationship to the company.

PRIVACY NOTICE FOR CREDITORS

Information we collect and hold about you

By requesting details of your claim in this insolvency, we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation ("the GDPR"). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

Legal justification for processing your Personal Data

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

How we use your information

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity's liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

Who we share your information with

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

How long will we hold your Personal Data for?

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

Your rights in respect of your Personal Data

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.

SHOON (TRADING) LIMITED – IN ADMINISTRATION

Your right to complain

You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.

If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliffe House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

Contacting us

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, Level 5, The Grove, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: privacy@leonardcurtis.co.uk.

Data Controller: LEONARD CURTIS

AM10

Notice of administrator's progress report



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Dane O'Hara
Company name	Leonard Curtis
Address	5th Floor Grove House 248a Marylebone Road
Post town	London
Country/Region	
Postcode	N W 1 6 B B
Country	
DX	
Telephone	020 7535 7000



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse