

AM10

Notice of administrator's progress report



Companies House

WEDNESDAY



A08 *A7L3ZQPC* 19/12/2018 #215
COMPANIES HOUSE

please
house

1 Company details

Company number 08050525

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 0 ^m 5	^y 2 ^y 0 ^y 1 ^y 8
To date	^d 2 ^d 3	^m 1 ^m 1	^y 2 ^y 0 ^y 1 ^y 8

7 Progress report

<input checked="" type="checkbox"/> I attach a copy of the progress report
--

8 Sign and date

Administrator's signature	Signature X  X
Signature date	^d 1 ^d 8 ^m 1 ^m 2 ^y 2 ^y 0 ^y 1 ^y 8

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
County/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



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' second progress report in accordance
with Rules 18.3 and 18.6 of the Insolvency (England and Wales) Rules 2016**

Report period
24 May 2018 to 23 November 2018

18 December 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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TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS
ALL MEMBERS

1 INTRODUCTION

- 1.1 This report has been produced in accordance with Rules 18.3 and 18.6 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 May 2018 to 23 November 2018. This is the Joint Administrators' second progress report to creditors.
- 1.2 Much of the information contained in this report encompasses the whole period of the Administration. Please be aware, however, that where reference is made to "the period of this report", this specifically means 24 May 2018 to 23 November 2018, being the period since the end of that covered by the last progress report.

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 sole director of the Company. 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 Company traded from a number of sites in the UK, with a head office address at 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 Administration 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 centre of main interest is within 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.

SHOON (TRADING) LIMITED – IN ADMINISTRATION

- 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 May 2018 to 23 November 2018. The receipts and payments account also includes a summary covering the entire period of the Administration.

4.2 Sale of Business

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

The agreed sale consideration was £140,000 all of which was payable on completion and has been received in full in the Administration. As previously advised, Gateley Plc ("Gateley") were holding consideration of £70,000 at the date of our previous report which has now been remitted to the Administration.

5 ASSETS STILL TO BE REALISED

There are no assets that remain to be realised in the Administration.

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 requires 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 On 11 July 2018, the secured creditor, TNUI Asset Finance Limited ("the Secured Creditor") consented to the following pre-Administration costs being paid as an expense of the Administration:

SHOON (TRADING) LIMITED – IN ADMINISTRATION

Charged by	Services provided	Total amount charged £
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
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
Gateleys Plc	Dealing with sale contract and appointment documentation, providing general legal advice.	10,000
TOTAL		36,085

These costs have now been paid and are detailed in the receipts and payments account attached at Appendix B.

Joint Administrators' Remuneration

- 7.2 On 11 July 2018, the Secured Creditor agreed that the basis of the Joint Administrators' remuneration be fixed by reference to time properly incurred by them and their staff in attending to matters arising during the course of the Administration, for an amount not exceeding £53,746, as set out in a Fees Estimate.
- 7.3 The time charged by the Joint Administrators for the period of this report amounts to £9,080.50. This represents 40.8 hours at an average rate of £222.56 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.
- 7.4 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. You will note that total time costs incurred for the period of the Administration is £54,660.50, which represents 227.8 hours at an average rate of £239.95 per hour. The remuneration drawn by the Joint Administrators to date totals £8,915 plus VAT, all of which has been drawn during the period of this report.
- 7.5 You will note that time costs incurred to date exceed the Fees Estimate. As demonstrated at Appendix D, costs attributable to each category of time generally fall within those anticipated. The areas where significant variance has occurred relate to Landlords, Appointment and Post Appointment Creditor Reporting.

Landlords

Significantly more time has been incurred under this heading as the Joint Administrators' initially granted the Purchaser a licence to occupy in respect of the premises at Bath and Salisbury with a view to these leases being assigned within the first three months of the Administration. The lease for Salisbury was assigned in August and the lease for Bath is still operating under a licence to occupy. We anticipate that the lease will be assigned within the next few months, however, having to deal with the licences over a prolonged period of time has resulted in a higher than anticipated level of costs.

Appointment

More time was incurred as each trading premises was attended by a representative from Leonard Curtis on day one of the Administration in order to secure the assets and assist with the shutdown formalities.

Post Appointment Creditor Reporting

More time has been incurred under this heading as it was not originally anticipated that the Administration would exceed one year and therefore, no provision was made in the Fees Estimate in respect of the preparation of the extension documentation.

- 7.6 The Administration is not yet complete and it is therefore anticipated that further time costs will be incurred in dealing with this matter. Due to the lack of realisations in the Administration, the Joint Administrators do not believe that their final fees will exceed the level of the current Fees Estimate and will not be seeking a revised Fee Estimate as a consequence. The information provided above is therefore for information purposes only.
- 7.7 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>
- 7.8 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.

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. On 11 July 2018, the secured creditor also approved that category 2 disbursements could be drawn by the Joint Administrators, as detailed at Appendix F.

- 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. The areas where significant variance has occurred relate to storage.

Storage

The Company had significantly more books and records than was originally anticipated when the statement of likely expenses was prepared.

- 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.
-

SHOON (TRADING) LIMITED – IN ADMINISTRATION

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

The only claims which are preferential in this instance are those of employees in respect of arrears of wages, holiday pay and unpaid occupational pension contributions. Preferential claims in the Administration were estimated at £29,274. Based on information presently available, it is unlikely that there will be sufficient funds to enable a distribution to preferential creditors.

9.4 Prescribed Part

Section 176A of 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 do not anticipate making any return to the Secured Creditor under their floating charge. 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. Notice to this effect is hereby given, in accordance with Rule 14.37 of the Rules, as all funds held in the Administration will either be used to defray the costs of the process or are otherwise subject to the fixed charge in favour of the Secured Creditor.

10 MATTERS STILL TO BE DEALT WITH

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

SHOON (TRADING) LIMITED – IN ADMINISTRATION

- A final fixed charge distribution to the Secured Creditor.
- Assignment of the licence to occupy granted to the Purchaser in respect of the premises at Bath.
- The unpaid remuneration and expenses will need to be defrayed.

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 becomes necessary to extend the Joint Administrators' term of office.
- 11.3 As you will be aware, the period of the Administration was extended until 23 November 2019 with the consent of the sole secured creditor of the Company.
- 11.4 The Joint Administrators will be discharged from liability immediately upon their appointment as Administrators ceasing to have effect.
- 11.5 It is not anticipated that a further extension of the Administration period will be required.

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 the Joint Administrators. 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. The Joint Administrators act as Data Controllers in respect of personal data they obtain in relation to this administration and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Administrators' privacy notice, which is attached to this report at Appendix I, explains how they process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

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 A D Cadwallader be appointed Joint Liquidators 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 A D Cadwallader be appointed Joint Liquidators 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.

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

	Statement of Affairs £	Previous Period		This Period		Total £
		Fixed Account £	Floating Account £	Fixed Account £	Floating Account £	
Receipts						
Intellectual Property and Goodwill	110,000	60,000.00	-	50,000.00	-	110,000.00
Office Furniture and Equipment	5,000	-	-	-	5,000.00	5,000.00
Stock	25,000	-	10,000.00	-	15,000.00	25,000.00
Cash in Hand	989	-	1,188.80	-	-	1,188.80
	<u>140,989</u>	<u>60,000.00</u>	<u>11,188.80</u>	<u>50,000.00</u>	<u>20,000.00</u>	<u>141,188.80</u>
Funds Held by Solicitors Prior to Administration		-	296.62	-	-	296.62
Deposit Interest Gross		<u>0.57</u>	<u>0.54</u>	<u>120.6</u>	<u>48.03</u>	<u>169.74</u>
		<u>60,000.57</u>	<u>11,485.96</u>	<u>50,120.60</u>	<u>20,048.03</u>	<u>141,655.16</u>
Payments						
Pre-Administration Costs		-	-	28,353.00	7,732.00	36,085.00
Solicitors' Fees and Expenses		-	-	-	5,045.50	5,045.50
Pension Advisors' Fees		-	-	-	-	-
ERA Advisors' Fees		-	2,340.00	-	975.00	3,315.00
Statutory Advertising		-	-	-	83.02	83.02
Bordereau Fee		-	-	-	90.00	90.00
IT Licence Fee		-	-	-	87.00	87.00
Storage Charges		-	-	-	1,602.15	1,602.15
Sundry Disbursements		-	-	-	368.53	368.53
Property Charges		-	365.00	-	-	365.00
Rent		-	1,295.00	-	-	1,295.00
Bank Charges		-	-	0.57	-	0.57
Joint Administrators' Remuneration		-	-	-	8,915.00	8,915.00
		<u>-</u>	<u>4,000.00</u>	<u>28,353.57</u>	<u>24,898.20</u>	<u>57,251.77</u>
Distributions						
TNUI Asset Finance Limited - Fixed Charge Distribution		60,000.00	-	-	-	60,000.00
Balance in Hand		<u>0.57</u>	<u>7,485.96</u>	<u>21,767.03</u>	<u>(4,850.17)</u>	<u>24,403.39</u>

APPENDIX C

SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD
FROM 24 MAY 2018 TO 23 NOVEMBER 2018

Summary of Joint Administrators' Time Costs from 24 May 2018 to 23 November 2018

	Director		Senior Manager		Manager 1		Manager 2		Administrator 4		Total		Average
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Hourly Rate £
Statutory and Review	-	-	2	82.00	1	36.50	13	416.00	5	75.00	21	609.50	290.24
Receipts and Payments	-	-	2	82.00	-	-	-	-	40	600.00	42	682.00	162.38
Insurance, Bonding and Pensions	-	-	-	-	-	-	-	-	13	195.00	13	195.00	150.00
Assets	-	-	-	-	-	-	4	128.00	10	150.00	14	278.00	198.57
Liabilities	3	135.00	10	410.00	-	-	5	160.00	43	645.00	61	1,350.00	221.31
Landlords	-	-	-	-	-	-	12	384.00	83	1,245.00	95	1,629.00	171.47
Debenture Holder	-	-	2	82.00	-	-	2	64.00	-	-	4	146.00	365.00
General Administration	-	-	-	-	-	-	21	672.00	32	480.00	53	1,152.00	217.36
Post Appointment Creditor Reporting	4	180.00	18	738.00	36	1,314.00	-	-	41	615.00	99	2,847.00	287.58
Investigations	-	-	-	-	-	-	6	192.00	-	-	6	192.00	320.00
Total	7	315.00	34	1,394.00	37	1,350.50	63	2,016.00	267	4,005.00	408	9,080.50	
Average Hourly Rate (£)		450.00		410.00		365.00		320.00		150.00		222.56	

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 has not directly resulted in any monetary value for creditors, it has ensured that the case was managed efficiently and resourced appropriately, which has been of benefit to all creditors. The work carried out under this category has comprised the following:

- Case management reviews – one quarterly review has been undertaken.
- 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.

Receipts and Payments

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

- Management of case bank accounts to ensure compliance with relevant risk management procedures.
- Regular review of case bank account 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.

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, whilst requirements in respect of company pension schemes are there to protect the pension funds of Company employees. Whilst there has been no direct financial benefit to Company creditors in dealing with these, close control of case expenditure was crucial to delivering maximum returns to the appropriate class of creditor.

- Liaising with Clumber Consultancy regarding the Company's pension scheme.
- Requesting employee information from the Company's former accountant.
- Submission of unpaid pension contributions claim to the Redundancy Payments Service.

Assets

- Dealing with the transfer of the remaining consideration held by Gateleys.
- Reconciling funds received from Gateleys.

SHOON (TRADING) LIMITED – IN ADMINISTRATION

Liabilities

This category of time included 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.

Non-statutory

- Dealing with enquiries from the Company's creditors - this included dealing with creditors' and employees' general queries by post, telephone and email

Landlords

- Liaising with the Purchaser and landlords regarding the licence to occupy agreements and assignments of the lease.
- Managing and monitoring leases and payments under the licence to occupy agreements.
- Payments to landlords.
- Review and execution of assignment documentation.

The lease at the Salisbury premises has been assigned. The lease at the Bath premises is still operating under the licence to occupy agreement.

Debenture Holder

- Liaising with the secured creditor, TNUI Asset Finance Ltd.

General Administration

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

- Maintaining the Joint Administrators' records;
- Dealing with general correspondence and communicating with the director.
- Others general matters which cannot be classified under other categories.

Post Appointment Creditor Reporting

Agreeing and reporting on our proposals and fee basis is a statutory requirement. Work completed in the period of this report included the following:

- Preparation of the Joint Administrators' first progress report.
- Preparation of extension of Administration documentation.
- Reporting on outcome of voting.

Investigations

- Review of an enquiry received regarding the Company's affairs.

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

	FEES ESTIMATE			INCURRED TO DATE			VARIANCE	
	Total			Total				
	Units No	Cost £	Average hourly rate £	Units No	Cost £	Average hourly rate £	Cost £	
Statutory and Review	66	1,821.00	275.91	81	2,212.50	273.15	(391.50)	
Receipts and Payments	63	1,674.00	265.71	69	1,104.00	160.00	570.00	
Insurance, Bonding and Pensions	25	572.00	228.80	38	621.00	163.42	(49.00)	
Assets	308	8,881.00	288.34	278	8,331.50	299.69	549.50	
Liabilities	502	12,424.00	247.50	531	11,471.50	216.04	952.50	
Landlords	140	4,375.00	312.50	345	6,736.00	195.25	(2,361.00)	
Debenture Holder	146	4,372.00	299.45	33	1,068.00	323.64	3,304.00	
General Administration	211	5,306.00	251.47	249	5,075.50	203.84	230.50	
Appointment	63	1,842.00	292.46	152	3,429.50	225.63	(1,587.50)	
Post Appointment Creditor Reporting	329	10,661.00	324.04	428	13,110.00	306.31	(2,449.00)	
Investigations	79	1,817.00	230.00	74	1,501.00	202.84	316.00	
	1,932	53,746.00	278.31	2,278	54,660.50	239.95	(914.50)	

**SUMMARY OF JOINT ADMINISTRATORS' EXPENSES
FROM 24 MAY 2018 TO 23 NOVEMBER 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	-
Bond Fee	AUA Insolvency Risk Services	Insurance bond	180.00	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	95.20	39.20	75.60	19.60
Software Licence Fee	Pelstar Computing	Case management system licence fee	87.00	87.00	-	87.00	-
Statutory Advertising	Courts Advertising	Advertising	166.00	83.02	-	83.02	-
Storage Costs	Total Data Management	Storage of books and records	400.00	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	-
Court Filing Fees	Courts	Filing charges	-	100.00	-	100.00	-
		Total standard expenses	1,049.00	2,139.62	39.20	2,120.02	19.60

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	5,045.50	5,045.50	5,045.50	-
Agent's Fees	Axia Valuation Service	Costs of appointed agent	5,000.00	-	-	-	-
ERA Advisors Costs	Insol Group	Costs of appointed ERA advisor	500.00	975.00	975.00	975.00	-
Pension Advisors Fees	Clumber Consultancy	Costs of appointed Pension Advisor	400.00				
Postage	Leonard Curtis	Category 2 disbursement requiring specific creditor / committee approval	100.00	82.28	5.80	82.28	-
Printing and Photocopying	Leonard Curtis	Category 2 disbursement requiring specific creditor / committee approval	100.00	28.40	4.00	28.40	-
		Total case specific expenses	8,100.00	6,131.18	6,030.30	6,131.18	-

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, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£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	
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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	80,000	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 %)	1.3%	N/a	0.0%	0.0%

**LEONARD CURTIS
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