

The Insolvency Act 1986

Administrator's progress report

2.24B

Name of Company M Books Admin Limited (formerly Midsummer Books Limited)	Company number 01345171
In the High Court of Justice [full name of court]	Court case number 2823 of 2012

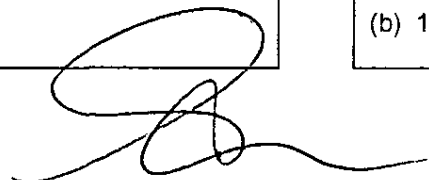
(a) Insert full name(s) and address(es) of administrator(s)

I (a) Malcolm Fillmore of BM Advisory, Arundel House, 1 Amberley Court, Whitworth Road, Crawley, RH11 7XL

administrator of the above company attach a progress report for the period

(b) Insert dates

from (a) 11 October 2014	to (b) 10 April 2015
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Signed 
Administrator - Malcolm Fillmore

Dated 8 May 2015

Contact Details

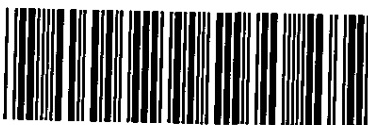
You do not have to give any contact information in the box opposite but if you do it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searches of the public record.

BM Advisory Arundel House, 1 Amberley Court Whitworth Road, Crawley RH11 7XL	
Tel 01293 410333	
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at
Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff

TUESDAY



QIQ 12/05/2015 #38
COMPANIES HOUSE

TO ALL MEMBERS AND KNOWN CREDITORS

Arundel House
1 Amberley Court
Whitworth Road
Crawley RH11 7XL

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www.bm-advisory.com
Our ref KK/MID001MPF

8 May 2015

Dear Sirs

M Books Admin Limited (formerly Midsummer Books Limited) - In Administration ("the Company")

Company Number: 01345171

High Court of Justice No. 2823 of 2012

Malcolm Fillmore and Ms R Bajjon of BM Advisory, Arundel House, 1 Amberley Court, Whitworth Road, Crawley, RH11 7XL were appointed Joint Administrators of the Company on 11 April 2012 by the Company. Ms Bajjon retired from office with effect from 10 December 2014

The Notice of Appointment was filed in the High Court of Justice under reference number 2823 of 2012.

The Joint Administrators have exercised all of their functions jointly and severally as stated in the Notice of Appointment.

The purpose of this report is to provide creditors with an account of the progress of the Administration, for the period 11 October 2014 to 10 April 2015, in accordance with Rule 2.47 of the Insolvency Rules 1986. A copy of Form 2.24B is attached to this report.

This report should be read in conjunction with my earlier reports to creditors.

STATUTORY INFORMATION

Attached at **Appendix I**, is the statutory details of the Company as filed at Companies House.

PROGRESS OF THE ADMINISTRATION

In the period of the report, time has principally been spent in fulfilling statutory reporting duties and realising residual assets and rights

The purpose of the Administration, as per the Administrators' proposals, is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up, without first being in Administration. This Administration was conducted alongside the realisation of the assets of Aerospace Publishing Limited and Bright Star Publishing Ltd ('Midsummer Group'). The purposes were achieved via the sale of the Midsummer Group's business and assets, as detailed in my previous reports

JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

Attached at **Appendix II**, is the Administrator's Receipts and Payments Account, for the period 11 October 2014 to 10 April 2015, as well as a summary for the whole period of Administration to date, detailing a balance on hand of £1,177. The funds are held in an interest bearing estate account

ASSETS

Post-administration realisations

In the period of the report, £1,660 was received from Natwest Bank plc in respect of credits received into the Company's bank account post-administration.

Following the sale of the Group's assets and rights to Hachette Partworks Limited, there remain some boxes of old Star Trek material which has been in the Company's archives for over 15 years and which might have some realisable value in the memorabilia market and where advice is presently being taken

LIABILITIES

Secured creditors

Natwest Bank plc holds a fixed and floating charge over the Company dated 3 August 2007. They were owed £125,940 by the Company and £16,581 by the Company's main trading subsidiary, AP Admin Ltd (formerly Aerospace Publishing Ltd), which was also subject to formal insolvency proceedings. The debt in both companies was secured by way of intercompany guarantee and additionally guaranteed by the director, Mr Morse. The Bank has been paid £9,450 in respect of their fixed charge in Midsummer after deduction of an agreed 10% realisation fee. They were also paid £50,400 from AP Admin Ltd under its fixed charge and a further £38,867 under its floating charge.

Preferential creditors

The Company employed all the staff for the Group, all of whom were made redundant prior to Administration. The Redundancy Payments Service has submitted a preferential claim in the Administration of £5,169, and a non-preferential claim of £55,829. Neither claims have been adjudicated upon since there are currently insufficient funds to pay a distribution to the preferential or unsecured creditors.

Unsecured creditors – trade and expense creditors

Trade and expense creditors were understood to total £19,358 and claims totalling £13,089 have been received to date.

Unsecured creditors – Crown creditors

HM Revenue and Customs have submitted an estimated PAYE claim of £205,024 and an estimated VAT claim of £24,109.

Unsecured creditors – director

Mr Stan Morse is owed the sum of £600,000 in respect of loans he made to the Company.

DIVIDEND PROSPECTS

A dividend payment to unsecured creditors is unlikely in this matter due to insufficient asset realisations. A dividend payment to the preferential creditors may be possible if sufficient funds are realised from the sale of the Company's Star Trek material.

PRESCRIBED PART

The Prescribed Part Fund is created out of the Company's net floating charge property pursuant to Section 176A of the Insolvency Act 1986, as long as the floating charge was registered later than 15 September 2003.

As previously advised, the Company gave a fixed and floating charge to Natwest Bank plc on 3 August 2007. The money due to Natwest Bank plc has been repaid under the fixed charge and as a result no monies will be

paid under the floating charge due to there being insufficient funds, after the costs and expenses of the Administration

JOINT ADMINISTRATORS' INVESTIGATIONS

Under the insolvency legislation, the Administrators have a duty to consider the conduct of those persons who have been directors of the Company, shadow directors or de facto directors at any time within three years preceding the Administration and consider whether any civil proceedings should be taken

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking into account public interest and the potential recoveries and costs involved. I concluded that there were no matters that justified further investigation.

Within six months of my appointment as Administrator, I was required to submit a confidential report to the Secretary of State to include any matters which came to my attention during the course of my work, which may have indicated that the conduct of any past or present director would make them unfit to be concerned with the management of the Company. I confirm that my report was submitted.

PRE-ADMINISTRATION COSTS

At a meeting of creditors held on 12 June 2012, BM Advisory's pre-Administration costs were approved by creditors, in the amount of £18,212.

To date, no pre-Administration fees have been paid due to insufficient realisations.

JOINT ADMINISTRATORS' REMUNERATION

It was agreed at a meeting of creditors held on 12 June 2012, that the Joint Administrators be remunerated by reference to time properly spent by them and their staff in attending to matters arising from the Administration of the Company pursuant to rule 2.106(2)(b) of the Rules

During the period 11 October 2014 to 10 April 2015, a total of 10.10 hours have been spent during the period at a cost of £1,841.50, resulting in an average hourly charge out rate of £182.33.

Attached at **Appendix III**, is a schedule of my time costs to date and a schedule of my time costs for the period of the report together with BM Advisory's policy on fees. Creditors should note that £46,317 of time costs have subsequently been attributed to AP Admin Ltd pre-administration time, although this is not reflected in the enclosed time summaries. Actual time costs incurred to date is £38,716.52

The sum of £24,050 plus VAT has been drawn against these time costs to date, which includes a fee of £1,050 plus VAT incurred in connection with the realisation of fixed charge assets, as approved by Natwest Bank plc.

A description of the routine work undertaken during this reporting period is as follows:

Administration and Planning

- Dealing with all routine correspondence.
- Maintaining physical case files and electronic case details on IPS case management software.
- Case bordereau
- Case planning and Administration
- Preparing reports to members and creditors.
- Applying to HM Revenue and Customs for a VAT reregistration.

Cashiering

- Maintaining and managing the Administrator's cashbook and bank account.
- Ensuring statutory lodgements and tax lodgement obligations are met

Creditors

- Dealing with creditor correspondence and telephone conversations
- Maintaining creditor information, including proof of debts received from creditors.

Realisation of Assets

- Liaising with the Company's bank regarding the post-administration credits
- Reviewing the options on the Star Trek material

A copy of 'A Guide to Administrators' Fees' can be located on the following website which provides information relating to Administrators' remuneration. www.r3.org.uk/index.cfm?page=1591 A hard copy is available on request.

During the reporting period, I have also incurred category 1 and 2 disbursements totalling £42 79 as per the following breakdown, which have been paid

	£	
Printing and postage	32 79	Category 1 & 2
Creditor portal	10.00	Category 2
Total	<u>42.79</u>	

Under rule 2 48 of the Rules any secured creditor, or unsecured creditor with concurrence of at least 5% in value of the total unsecured creditors, may request further information in respect of the Administrators' remuneration and expenses. This must be sent in writing to the Administrators within 21 days of receipt of this progress report

Any secured creditor, or unsecured creditor with at least 10% in value of the total unsecured creditors, is entitled to challenge the remuneration and expenses under rule 2 109 of the Rules Any challenge must be brought within 8 weeks of receipt of this progress report

COMPLETION OF THE ADMINISTRATION

The Administration will remain open, and may be further extended by the Court, until all outstanding matters have been finalised, being the review and realisation of the Star Trek material. Once completed, the Administrator shall conclude the Administration pursuant to Paragraph 84 of Schedule B1 of The Insolvency Act 1986, by moving from Administration to dissolution in the event that there is no distribution to unsecured creditors

However should there be sufficient funds to enable a dividend to unsecured creditors, as agreed in the Administrators Proposals, the Administrator will place the Company into Creditors' Voluntary Liquidation, in order to conclude any further asset realisations and make a distribution to the unsecured creditors. In accordance with Paragraph 83(1) of Schedule B1 of The Insolvency Act 1986 Malcolm Fillmore will be appointed liquidator

The Administrator will be discharged from liability in respect of any act of his immediately after he ceases to be Administrator of the Company Ms Bajon was discharged from liability upon her retirement on 10 December 2014

COMPLAINTS PROCEDURE

BM Advisory strives to provide a first class service to all of its clients and we are committed to a process of continuous improvement. As such should you have any comments or complaints regarding this matter you should contact me in the first place at the address on the front of this letter

Should you consider that we have not dealt with your comments appropriately you may request we perform an internal independent review of your complaint This review would be undertaken by a person within BM

BM Advisory.

Advisory not involved in the assignment and would be co-ordinated by the Complaints Partner, Paul Ashton, who is contactable at this office

If you do not receive a satisfactory response then you may be able to make a complaint to my regulatory body, via the complaints Gateway operated by The Insolvency Service. The contact details for the Gateway are by email insolvency.enquiryline@insolvency.gsi.gov.uk, by phone 0300 678 0015 (call charges apply) or by post at The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA. To make an online submission or for further information please visit <https://www.gov.uk/complain-about-insolvency-practitioner>

FURTHER INFORMATION

Information can also be found at www.creditorinsolvencyguide.co.uk which is designed to provide creditors with a step by step guide to the insolvency process.

Should you require any further information, please do not hesitate to contact Katie Kellaway on 01293 453 646.

Yours faithfully
For and on behalf of
M Books Admin Limited

Malcolm Fillmore
Administrator

Enc.

M BOOKS ADMIN LIMITED – IN ADMINISTRATION

STATUTORY INFORMATION

Company information

Company Number	01345171						
Previous name(s)	Midsummer Books Ltd						
Date of Incorporation	21 12 1977						
Principal trading activity	Part-work publisher						
Trading name(s)	Midsummer Books Ltd						
Trading Address	Unit 107 Barley Mow Centre 10 Barley Mow Passage Chiswick London W4 4PH						
Registered Office	c/o BM Advisory Arundel House 1 Amberley Court Whitworth Road Crawley RH11 7XL						
Directors	The directors of the Company over the last 3 years are detailed below <table><tr><td>Stanley Owen Morse</td><td>10 08 1991 to date</td></tr><tr><td>Patricia Ann Palmer</td><td>11.09.1997 to date</td></tr><tr><td>Sophearith Moeng</td><td>01 05 2007 to date</td></tr></table>	Stanley Owen Morse	10 08 1991 to date	Patricia Ann Palmer	11.09.1997 to date	Sophearith Moeng	01 05 2007 to date
Stanley Owen Morse	10 08 1991 to date						
Patricia Ann Palmer	11.09.1997 to date						
Sophearith Moeng	01 05 2007 to date						
Company Secretary	Stanley Owen Morse 30 03 2012 to date						
Related entities	AP Admin Ltd – In Liquidation (formerly in Administration) BS Admin Ltd – In Administration						

Share Capital

The Company's authorised share capital consists of 200 ordinary shares with a nominal value of £1 each.

Stanley Owen Morse	160 Ordinary Shares
Patricia Ann Palmer	40 Ordinary Shares

Registered charges

Natwest Bank plc Debenture Created.	03 08 2007
Registered	08 08.2007

Appointment details

Date of appointment	11 April 2012
Appointment made by	the Company
Court name	High Court of Justice, Chancery Division, Companies Court
Court reference	2823 of 2012
Joint Administrators	Malcolm Fillmore Ranjit Bajjon [retired from office with effect from 10 12 2014]

M Books Admin Limited (formerly Midsummer Books Limited)
[In Administration]

Administrators Receipts and Payments Account
For the period 11 April 2012 to 8 May 2015

	£	As per estimated financial position	£
RECEIPTS			
Goodwill & IPR	nk		10,500 00
Archive & Library	40,000		27,000 00
Fixed Assets	5,000		0 00
Debtors	3,000		0 00
Eaglenoss Claim	50,000		0 00
Bright Star Intercompany	75,000		0 00
Aerospace - Intercompany	nk		0 00
Royalties			6,842 00
Storage Refund			136 34
Bank Interest Received (Gross)			43 74
Aircraft Publishing Ltd			3,872 36
Continuo Creative - picture use			1,070 00
Post-administration bank credits			1,659 83
VAT Refund			4,181 90
VAT Output Tax			1,582 40
			<u>56,888 57</u>

PAYMENTS

Administrators' fees	fixed charge	1,050 00
Administrators' fees		23,000 00
Reports on website		40 00
Court Fees		20 00
Printing, Copying and Postage		546 13
Company Searches		45 00
Mileage Travel and Sustenance		164 61
Statutory Advertising		153 00
Bonding		148 00
Legal Fees		5,340 00
Name change fee		10 00
Corporation Tax		4 61
Storage		8,051 82
VAT Input Tax		7 688 09
		<u>46,261 26</u>

DISTRIBUTIONS

Fixed Charge Holder - Natwest Bank plc

9,450 00

Balance in insolvent estate account as at 8 May 2015
(interest bearing account)

£1,177 31

For the period from 11 October 2014 to 10 April 2015

Brought forward	£	£
		3,163 70
		5 13
		1,659 83
		<u>4,828 66</u>

Balance as at 10 April 2015

4,828 66

Atherton Bailey**TIME & CHARGEOUT SUMMARIES**

To 5 Aug 2013

Midsummer Books Limited

Administration

HOURS

Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	43 23	0 00	12 60	184 68	240 51	43,026 50	178 90
Investigations	0 20	0 00	0 00	0 67	0 87	162 32	187 31
Realisation of Assets	53 17	0 00	1 85	10 40	65 42	17,709 07	270 71
Creditors	1 68	0 00	0 55	20 08	22 32	3,602 01	161 41
Litigation	1 83	0 00	0 00	3 45	5 28	1,047 07	198 18
Rec & Pay	0 00	0 00	0 00	14 85	14 85	1,328 95	89 51
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Fees Claimed £	29,469 91	0 00	3,555 51	33,850 50		66,875 92	
Total Hours	100 12	0 00	15 00	234 12	349 24		
Average Rate	294 35	0 00	237 03	144 58			

M Books Admin Limited - In Administration

Administrator's time costs

For the period

6 August 2013 to 8 May 2015

Classification of Work	Hours by Staff Grade							Grand Total	Total Cost £	Average Hly Rate £
	Partner	Junior Administrator	Junior	Cashier	Administrator 1	Supervisor	Administrator 2			
Work Analysis										
Administration and Planning										
Admin & Planning	2.10	0.00	0.00	1.90	22.28	0.20	0.07	26.55	4,717.25	177.67
Bill	0.10	0.00	0.00	0.80	1.50	0.00	0.07	2.47	418.35	169.37
Case Accounting	0.00	0.30	0.45	10.75	4.00	0.00	0.22	15.72	1,876.85	119.39
Partner Review	4.70	0.00	0.00	0.00	0.00	0.00	0.00	4.70	1,599.00	340.21
Asset Realisation										
Asset Realisation	8.70	0.00	0.00	0.00	2.50	0.00	0.00	11.20	3,621.50	323.35
Creditors										
Unsecured Creditors	0.50	0.00	0.00	0.00	0.70	0.00	0.00	1.20	310.50	258.75
Secured Creditors	1.90	0.00	0.00	0.00	0.50	0.00	0.00	2.40	687.00	286.25
Legal and Litigation										
Legal / Litigation	0.00	0.00	0.00	0.00	1.50	0.00	0.00	1.50	265.50	177.00
Statutory Compliance										
Statutory Compliance	0.20	0.00	0.00	0.00	0.68	0.00	0.00	0.88	182.40	207.27
Statutory Reporting	1.50	0.00	0.00	0.00	15.30	0.00	0.00	16.80	3,249.00	193.39
Tax & VAT	0.00	0.00	0.00	0.00	6.25	0.00	0.00	6.25	1,073.25	171.72
Billing & WIP Reviews	0.00	0.00	0.00	0.40	0.60	0.00	0.00	1.00	157.00	157.00
Controllable										
Grand Total	19.70	0.30	0.45	13.85	55.81	0.20	0.36	90.67	18,157.60	200.36

M Books Admin Limited - In Administration

Administrator's time costs

For the period

11 October 2014 to 10 April 2015

Classification of Work	Hours by Staff Grade				Grand Total	Total Cost £	Average Hrly Rate £
	Partner	Cashier	Administrator 1				
Administration and Planning	0 00	0 20	2 00		2 20	393 00	178 64
Admin & Planning	0 00	1 30	0 00		1 30	149 50	115 00
Case Accounting	0 40	0 00	0 00		0 40	152 00	380 00
Partner Review	0 00	0 00	0 10		0 10	18 50	185 00
Asset Realisation	0 00	0 00	0 30		0 30	55 50	185 00
Secured Creditors	0 00	0 00	0 10		0 10	18 50	185 00
Statutory Compliance	0 00	0 00	4 50		4 50	832 50	185 00
Statutory Reporting	0 00	0 00	1 20		1 20	222 00	185 00
Tax & VAT	0 40	1 50	8 20		10 10	1,841 50	182 33
Grand Total							

BM ADVISORY

STATEMENT OF POLICY ON FEES IN INSOLVENCY PROCEEDINGS

Introduction

This statement has been prepared in accordance with guidelines set out in Statement of Insolvency Practice 9 issued by the Association of Business Recovery Professionals (R3)

The following information applies to all appointments of partners, directors, consultants or staff of BM Advisory, to act as any of the following -

Liquidator, Receiver, Administrator or Administrative Receiver of a Limited Company or Limited Liability Partnership
Trustee in Bankruptcy
Supervisor of an Individual, Company or Partnership Voluntary Arrangement
Administrator under the Insolvent Estates Order

When acting as Nominee, the provisions of the Insolvency Act 1986 require that the amount of the fees payable to the Office Holder be specified within the Debtor's proposals. Such fees will nevertheless be fixed to take account of the Office Holder's expected time costs arising as referred to below

Policy on fees

Unless otherwise fixed in accordance with the Insolvency Act 1986, an Office Holder's fees are charged by reference to time costs, as incurred, charged at the firm's usual rates applicable at the time the work is carried out. Rates may be varied from time to time, at the sole discretion of BM Advisory, and such changes will be notified in retrospect with each report to Creditors. It is the policy of BM Advisory to use as junior grade of staff as compatible with the efficient conduct of the matter in order to ensure costs are kept to a minimum. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

As at 1st March 2014 the rates applicable are

Grade	£
Partner 1	430
Partner 2	380
Associate Director	360
Senior Manager	340
Manager	310
Assistant Manager	285
Senior Administrator	240
Administrator 1	185
Administrator 2	155
Junior Administrator	125
Cashier	115
Support staff	85

Rates vary between individuals, reflecting experience and qualification. For certain more complex tasks, BM Advisory may seek to apply a higher rate in respect of work undertaken, but subject to prior authorisation in accordance with the Act.

For further information on the manner in which an Office Holder's fees may be fixed, please refer to the guidance notes in relation to fees at www.r3.org.uk/index.cfm?page=1591

Disbursements

Disbursements are categorised as either Category 1 or Category 2

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the case or BM Advisory, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the case. These disbursements are recoverable in full from the case without the prior approval of creditors either by a direct payment from the case or, where BM Advisory has made payment on behalf of the case, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage and specific bond insurance.

Category 2 expenses are incurred by BM Advisory and recharged to the case, they are not attributed to the case by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the case, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of Category 2 disbursements are photocopying, internal room hire and internal storage.

It is proposed that the following Category 2 disbursements are recovered by BM Advisory

Meeting room hire	Up to £200
Creditor portal (operated within BM Advisory website)	£10 (per report)
Postage	£0.51 - £2.25
Mileage (per mile)	£0.45
Photocopies (per sheet)	£0.15
Storage (per box per month)	£0.35

The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.