In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

LIQ03

Notice of progress report in voluntary winding up

Companies House

FRIDAY

A6XZPDNF

A18 19/01/2018 #4
COMPANIES HOUSE

1 Company details

Company number	0 2 8 2 4 4 5 8
Company name in full	Connections Book Publishing Limited

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

2 Liquidator's name

Full forename(s)	Colin Ian
Surname	Vickers

3 Liquidator's address

Building name/number	Suite 2
Street	2nd Floor, Phoenix House
Post town	32 West Street
County/Region	Brighton
Postcode	B N 1 2 R T
Country	

4 Liquidator's name ❶

Full forename(s)	Christopher David
Surname	Stevens

❶ **Other liquidator**
Use this section to tell us about another liquidator.

5 Liquidator's address ❷

Building name/number	Suite 2
Street	2nd Floor, Phoenix House
Post town	32 West Street
County/Region	Brighton
Postcode	B N 1 2 R T
Country	

❷ **Other liquidator**
Use this section to tell us about another liquidator.

LIQ03
Notice of progress report in voluntary winding up

6 Period of progress report

From date	25 11 2016
To date	24 11 2017

7 Progress report

☑ The progress report is attached

8 Sign and date

Liquidator's signature	Signature X [signature] X
Signature date	17 01 2018

LIQ03

Notice of progress report in voluntary winding up

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	Colin Ian Vickers
Company name	FRP Advisory LLP
Address	Suite 2
	2nd Floor, Phoenix House
Post town	32 West Street
County/Region	Brighton
Postcode	B N 1 2 R T
Country	
DX	
Telephone	01273 916666

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

Connections Book Publishing Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 25/11/2016 To 24/11/2017 £	From 25/11/2015 To 24/11/2017 £
	ASSET REALISATIONS		
16,545.48	Book Debts	9,950.78	17,734.13
8,000.00	VAT Refund	NIL	NIL
Uncertain	Cash at Bank	NIL	NIL
22,375.00	Unencumbered Assets	NIL	22,375.00
	Bank Interest Gross	19.67	19.67
	Bank Interest Net of Tax	NIL	0.96
		9,970.45	40,129.76
	COST OF REALISATIONS		
	Preparation of S. of A.	NIL	5,000.00
	Joint Liquidator's Remuneration	7,048.00	14,348.00
	Joint Liquidator's Disbursements	NIL	431.15
	Agents/Valuers Fees - Wyles Hardy	NIL	4,288.51
	Corporation Tax	105.20	105.20
		(7,153.20)	(24,172.86)
	UNSECURED CREDITORS		
(8,835.61)	Unsecured Creditors	NIL	NIL
(31,056.53)	Intercompany - BIABL	NIL	NIL
(95,525.33)	Intercompany - ESEL	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(130.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(88,626.99)		**2,817.25**	**15,956.90**
	REPRESENTED BY		
	Vat Recoverable - Floating		1,985.60
	IB Current Floating		13,971.30
			15,956.90

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17 January 2018 14:04

FRP Advisory

Connections Book Publishing Limited (In Liquidation) ("The Company")

The Liquidators' Progress Report for the period 25/11/2016 – 24/11/2017 pursuant to section 104A of the Insolvency Act 1986 and the Insolvency (England and Wales) Rules 2016

17/01/2018

Contents and abbreviations

The following abbreviations may be used in this report:

FRP	FRP Advisory LLP
The Company	Connections Book Publishing Limited (In Liquidation)
The Liquidators	Colin Ian Vickers and Christopher David Stevens of FRP Advisory LLP
The Period	The reporting period 25/11/2016 – 24/11/2017
CVL	Creditors' Voluntary Liquidation
SIP	Statement of Insolvency Practice
QFCH	Qualifying floating charge holder
HMRC	HM Revenue & Customs
BIAB	Bookinabox Limited (In Liquidation)
ESEL	Eddison/Sadd Editions Limited (In Liquidation)
Wyles Hardy	Wyles Hardy & Co. Limited
The Bank	National Westminster Bank Plc
GBS	Grantham Book Services
RWW	Red Wheel Weiser
EBL	Eddison Books Limited

1. Progress of the liquidation

FRP Advisory

Work undertaken during the Period and work yet to be completed

I attach at **Appendix C** a schedule of work undertaken during the Period together with a summary of work still to be completed.

Highlights include:

- Conducting a preliminary review of the claims position on expectation of a potential surplus position after costs to enable a distribution to the unsecured creditors.
- Preparing and submitting a full statement of debtor monies identified as paid to the buyer with supporting documents and a formal request for the monies to be repaid.
- On-going review and communications and update requests to the Director for visibility on collections. Includes agreeing basis of communication with salient debtors including EBL in relation to full reconciliation of account movements including return allowances.
- Communications with directors, as required.
- Statutory post appointment reporting and filing of relevant documentation.
- General administrations and case reviews.
- Case accounting.

Receipts and payments account

Attached at **Appendix B** is a receipts and payments account detailing both transactions for the Period and also cumulatively since my appointment as Liquidator. I would comment further as follows:

Book Debts

Further to my previous report, David Owen was retained by the Liquidators to progress and conclude the book debt collection during the Period.

The collection work in relation to the Company's outstanding book debts has now been finalised. I would summarise the work undertaken during the period as follows:

- Carrying out a complete assessment on recoverability;
- Communication with EBL over the GBS monies which resulted in clarity that the unallocated receipt in ESEL within the funds transferred by the Bank related to a proportion of the GBS monies;
- Full reconciliation of the GBS account movements with EBL and discussions to facilitate payment of residual monies to clear position;
- Review of the RWW position:
    - Communications with the debtor over the account position;
    - Requesting the comments of the directors based on the account presented;
    - Visibility on group position agreed by director, between parties at the outset and allowance of ransom payments made by EBL to contra against balances due;
    - With claims for stock returns, any recovery is non-existent;
- Debts due from authors for copy books are unrecoverable and subject to contra claims against ESEL, which were offset in the normal course of group business;

1. Progress of the liquidation

FRP Advisory

- Overall final position:
  - GBS recovery of £9,950 against an expected position of £8,272;
  - Authors (copies of books) contra claims written off - £8,346;
  - RWW – Written off as uncollectable - £10,086;
  - Total realisations - £17,734 (including GBS monies).

VAT Refund

A VAT refund of £8,000 was included in the statement of affairs as potentially recoverable. Despite requests for information, the Finance Director has been unable to provide information in support of this suggested refund and it is not therefore considered to be recoverable.

Cast at Bank

The Bank transferred the residual balance of the Company's account into the liquidation estate, however the majority of this sum represented payments of outstanding book debts. In light of this, and the difficulty in ascertaining the apportionment of the balance that did not relate to book debts, all of these monies have been classified as book debts for the purposes of the liquidation.

Investigations

Part of my duties include carrying out proportionate investigations into what assets the Company has, including any potential claims that could be brought by the Company or by me in my capacity as Liquidator against any party which could result in a benefit to the estate. I have reviewed the Company's books and records and accounting information, requested further information from the directors, and invited creditors to provide information on any concerns they have concerning the way in which the Company's business has been conducted.

Further details of the conduct of my investigations are set out in the schedule of work attached. I can confirm that no further investigations or actions are required.

2. Estimated outcome for the creditors

The estimated outcome for creditors was included in correspondence previously circulated by me.

Outcome for secured creditors

There are no secured creditors in this matter.

Preferential Creditors

There are no preferential creditors in this matter.

Unsecured creditors

I have received claims totalling £135,465 from unsecured creditors who have proved their debts in these proceedings.

Based on the information available to date and the assumptions made, the anticipated outcome for unsecured creditors is an estimated distribution of 5.7 pence in the £.

The Prescribed Part

As the Bank have released their security there is no floating charge and the prescribed part does not therefore apply in this instance.

3. Liquidators' remuneration, disbursements and expenses

Liquidators' remuneration

The original estimate of fees contained in the letter to creditors circulated immediately after the Liquidators' appointment proposed that fees on a time cost basis to be drawn would be capped at the sum set out in the fees estimate of £14,348, with any increase requiring the further approval of creditors.

The proposed resolution for fees on a time cost basis was approved by creditors. To date, fees of £14,348, excluding VAT, have been drawn from the funds available, to the level of the agreed cap.

The time costs incurred by the Liquidators in dealing with the various matters arising in the liquidation since appointment have exceeded the original estimate provided. The initial quote was an estimate based on the information to hand at the time it was issued. The main areas of work completed to date are as summarised in Section 1 and as detailed on the attached schedule of work undertaken. A breakdown of my firm's time costs incurred during both the Period and to date is attached at **Appendix D.**

In summary, the primary areas of increase are as follows:

- The work in relation to the recovery of the book debt ledger has taken longer than originally anticipated, which included preparing and submitting a full statement of debtor monies identified as paid to the buyer with supporting documents and a formal request for the monies to be repaid, as appropriate
- Reconciling the Company's position within the overall group in respect of the outstanding intercompany balances in light of the anticipated distribution to unsecured creditors.
- Increased timescales for reviewing claims and calculating the distribution to the unsecured creditors.

The Liquidator is unable to draw fees based on time costs exceeding the total amount set out in the original fee estimate, without further approval. The Liquidators are now requesting creditors' approval for the revised fee estimate.

The revised fee has been completed to reflect the maximum possible costs that could be incurred in dealing with all potential matters that may arise based on the information currently available to the Liquidators.

Attached is a notice of proposed decision by correspondence to request approval of the Liquidator's revised fee estimate. Resolutions are considered by way of a decision procedure by correspondence, and passed by a simple majority of the creditors voting that respond by the deadline stated on the form. Creditors who wish for their vote to be considered should return the completed voting form by the stated deadline along with a completed proof of debt form if not previously submitted.

Liquidators' disbursements

The Liquidator's disbursements are a recharge of actual costs incurred by the Liquidator in dealing with this matter. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the Period are set out in **Appendix D**.

Expenses of the liquidation

An estimate of the Liquidators' expenses was set out in the information previously circulated to creditors. I attach at **Appendix E** a statement of expenses that have been incurred during the Period. It is currently expected that the expenses incurred or anticipated to be incurred are likely to exceed the details provided prior to the determination of the basis of the Liquidator's remuneration.

3. Liquidators' remuneration, disbursements and expenses

FRP Advisory

Agents' fees – costs are being incurred by the Director for assistance being provided to the Liquidators in the reconciliation and recovery of the Company's book debt ledger. A fee has been agreed with the Director at 7.5% of book debt realisations.

Creditors have a right to request further information from the Liquidator and further have a right to challenge the Liquidator's remuneration and other expenses, which are first disclosed in this report, under the Insolvency (England and Wales) Rules. (For ease of reference these are the expenses incurred in the Period as set out in **Appendix E** only). Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link http://creditors.frpadvisory.com/feesguide.htm and select the one for liquidation. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

Appendix A

Statutory information about the Company and the liquidation

COMPANY INFORMATION:

Other trading names:	None
Date of incorporation:	07/06/1993
Company number:	02824458
Registered office:	Suite 2, 2nd Floor Phoenix House 32 West Street Brighton East Sussex BN1 2RT
Previous registered office:	The Old House Main Street Maids Moreton Buckingham Buckinghamshire MK18 1QU
Business address:	148 Kings Cross Road London WC1X 9DH

LIQUIDATION DETAILS:

Liquidators:	Colin Ian Vickers & Christopher David Stevens
Address of Liquidators:	FRP Advisory LLP Suite 2, 2nd Floor Phoenix House 32 West Street Brighton BN1 2RT
Date of appointment of Liquidators:	25/11/2015
Court in which Liquidation proceedings were brought:	N/A
Court reference number:	N/A

Appendix B

Liquidators' Receipts & Payments Account for the both the Period and cumulatively

Connections Book Publishing Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 25/11/2016 To 24/11/2017 £	From 25/11/2015 To 24/11/2017 £
	ASSET REALISATIONS		
16,545.48	Book Debts	9,950.78	17,734.13
8,000.00	VAT Refund	NIL	NIL
Uncertain	Cash at Bank	NIL	NIL
22,375.00	Unencumbered Assets	NIL	22,375.00
	Bank Interest Gross	19.67	19.67
	Bank Interest Net of Tax	NIL	0.96
		9,970.45	40,129.76
	COST OF REALISATIONS		
	Preparation of S. of A.	NIL	5,000.00
	Joint Liquidator's Remuneration	7,048.00	14,348.00
	Joint Liquidator's Disbursements	NIL	431.15
	Agents/Valuers Fees - Wyles Hardy	NIL	4,288.51
	Corporation Tax	105.20	105.20
		(7,153.20)	(24,172.86)
	UNSECURED CREDITORS		
(8,835.61)	Unsecured Creditors	NIL	NIL
(31,056.53)	Intercompany - BIABL	NIL	NIL
(95,525.33)	Intercompany - ESEL	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(130.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(88,626.99)		**2,817.25**	**15,956.90**
	REPRESENTED BY		
	Vat Recoverable - Floating		1,985.60
	IB Current Floating		13,971.30
			15,956.90

Appendix C

A Schedule of Work

Connections Book Publishing Limited (In Liquidation)

Schedule of Work

The table below sets out a detailed summary of the work undertaken by the office holders during the reporting period together with an outline of work still to complete.

Note	Category		
1	**ADMINISTRATION AND PLANNING** **Work undertaken during the reporting period**		**ADMINISTRATION AND PLANNING** **Future work to be undertaken**
	Regularly reviewing the conduct of the case and the case strategy and updating as required as required by the insolvency practitioners regulatory professional body to ensure all statutory matters are attended to and to ensure the case is progressing. This aids efficient case management.		
2	**ASSET REALISATION** **Work undertaken during the reporting period**		**ASSET REALISATION** **Future work to be undertaken**
	VAT Refund Ascertaining with the director of the Company the position with regards to the VAT refund. Confirming nil realisable value as balance off set against PAYE liability. ***Book Debts*** Conducting a preliminary review of the claims position on expectation of a potential surplus position after costs to enable a distribution to the unsecured creditors.		No further asset realisations are expected.

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	Preparing and submitting a full statement of debtor monies identified as paid to the buyer with supporting documents and a formal request for the monies to be repaid. On-going review and communications and update requests to the Director for visibility on collections. Includes agreeing basis of communication with salient debtors including Eddison Books in relation to full reconciliation of account movements including return allowances. Working with Director to resolve queries on disputed ledger to obtain payment. Writing off irrecoverable balances.		
3	**CREDITORS** **Work undertaken during the reporting period**		**CREDITORS** **Future work to be undertaken**
	Unsecured creditors: To date the IP is aware of 9 potential creditors according to the information currently available. A distribution to unsecured creditors is anticipated and has been estimated at 5.7 pence in the £, based on the available information. Dealing with everyday queries and correspondence from the creditors, lodging their claims and updating records as necessary when new creditors arise.		Continuing to assist creditors and answer any queries that may arise in concluding the administration. Contacting creditors who have not yet provided a claim in the liquidation. Advertise notice of an intended distribution to creditors. Facilitating a distribution to unsecured creditors, as necessary.

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	Secured creditors: No secured creditors remain in this matter. ***Preferential creditors:*** No preferential creditors remain in this matter.		
4	**INVESTIGATIONS** **Work undertaken during the reporting period**		**INVESTIGATIONS** **Future work to be undertaken**
			No further matters to investigate.
5	**STATUTORY COMPLIANCE AND REPORTING** **Work undertaken during the reporting period**		**STATUTORY COMPLIANCE AND REPORTING** **Future work to be undertaken**
	Preparing and circulating the annual progress report. Dealing with post appointment VAT and or other tax returns as required.		Seeking final tax clearances for the liquidation period, including submitting final VAT reclaims in order to bring the case to a close. Drafting the final account for creditors and shareholders. Receiving final VAT refunds. File final account and statutory return at Companies House within 7 days of the closure of the liquidation. Complete all other requirements to bring liquidation to a close and for the office holders to obtain their release.

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Appendix D

Details of the Liquidators' time costs and disbursements for both the Period and cumulatively

FRP Advisory

Connections Book Publishing Limited (In Liquidation)

Time charged for the period 25 November 2016 to 24 November 2017

	Total Hours	Total Cost £	Average Hrly Rate £
Administration and Plan	**6.25**	**1,087.50**	174.00
Case Accounting	1.00	138.00	138.00
Case Accounting - Ger	0.50	76.50	153.00
Case Control and Revi	2.20	439.50	199.77
General Administration	1.25	164.25	131.40
Fee and WIP	1.30	269.25	207.12
Asset Realisation	**16.70**	**4,027.00**	**241.14**
Debt Collection	16.70	4,027.00	241.14
Creditors	**0.50**	**67.50**	**135.00**
Unsecured Creditors	0.50	67.50	135.00
Statutory Compliance	**11.95**	**2,418.25**	202.36
Post Appt TAX/VAT	5.95	1,347.00	226.39
Statutory Reporting/ M	6.00	1,071.25	178.54
Grand Total	35.40	7,600.25	214.70

Time charged from the start of the case to 24 November 2017

	Total Hours	Total Cost £	Average Hrly Rate £
Administration and Planning	**14.35**	**2,241.50**	**156.20**
Case Accounting	2.60	355.50	136.73
Case Accounting - General	1.80	306.00	170.00
Case Control and Review	4.50	797.00	177.11
General Administration	2.80	343.00	122.50
Fee and WIP	2.65	440.00	166.04
Asset Realisation	**29.30**	**7,379.00**	**251.84**
Asset Realisation	4.35	1,342.50	308.62
Sale of Business	5.00	1,250.00	250.00
Debt Collection	19.95	4,786.50	239.92
Creditors	**1.20**	**242.50**	**202.08**
Secured Creditors	0.70	175.00	250.00
Unsecured Creditors	0.50	67.50	135.00
Investigation	**3.10**	**602.25**	**194.27**
CDDA Enquiries	3.10	602.25	194.27
Statutory Compliance	**25.75**	**4,520.00**	**175.53**
Post Appt TAX/VAT	9.75	1,775.00	182.05
Statutory Compliance - General	0.90	225.00	250.00
Statutory Reporting/ Meetings	13.50	2,035.00	150.74
Appointment Formalities	1.60	485.00	303.13
Grand Total	73.70	14,985.25	203.33

Disbursements for the period
25 November 2016 to 24 November 2017

	Value £
Grand Total	

Mileage is charged at the HMRC rate
prevailing at the time the cost was incurred

FRP Charge out rates From

Grade	1st July 2013	1st May 2016
Appointment taker / Partner	275-335	320-345
Managers / Directors	225-320	230-320
Other Professional	130-200	135-210
Junior Professional & Support	70-105	75-105

Appendix E

Statement of expenses incurred in the Period

Expenses	Period to 24/11/17 £	Cumulative period to 24/11/17 £
Preparation of Statement of Affairs	-	5,000
Joint Liquidator's Remuneration	7,600	14,985
Joint Liquidator's Disbursements	-	431
Agents/Valuers Fees - Wyles Hardy	-	4,289
Corporation Tax	105	105
Agents Fees - David Owen	-	1,204
Total	**7,705**	**26,014**