

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1	Company details	
Company number	0 6 7 7 0 9 1 4	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Acme Films Limited	
2	Liquidator's name	
Full forename(s)	Dominik	
Surname	Thiel-Czerwinke	
3	Liquidator's address	
Building name/number	1066 London Road	
Street		
Post town	Leigh On Sea	
County/Region	Essex	
Postcode	S S 9 3 N A	
Country		
4	Liquidator's name ①	
Full forename(s)	Wayne	① Other liquidator Use this section to tell us about another liquidator.
Surname	Macpherson	
5	Liquidator's address ②	
Building name/number	1066 London Road	② Other liquidator Use this section to tell us about another liquidator.
Street		
Post town	Leigh On Sea	
County/Region	Essex	
Postcode	S S 9 3 N A	
Country		

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6 Period of progress report

From date	^d 0	^d 8	^m 0	^m 9	^y 2	^y 0	^y 2	^y 2	
To date	^d 0	^d 7	^m 0	^m 9	^y 2	^y 0	^y 2	^y 3	

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature	Signature		
	X <i>wmacp</i>	X	
Signature date	^d 0	^d 6	^m 1
		^m 1	^y 2
			^y 0
			^y 2
			^y 3

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	George Langley									
Company name	Begbies Traynor (Central) LLP									
Address	1066 London Road									
Post town	Leigh On Sea									
County/Region	Essex									
Postcode	S	S	9		3	N	A			
Country										
DX										
Telephone	01702 467255									



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

Acme Films Limited (In Creditors' Voluntary Liquidation)

Progress report

Period: 08 September 2022 to 07 September
2023

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Acme Films Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 8 September 2022.
"the liquidators", "we", "our" and "us"	Dominik Thiel-Czerwinke and Wayne Macpherson of Begbies Traynor (Central) LLP, 1066 London Road, Leigh On Sea, Essex, SS9 3NA
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	None
Company registered number:	06770914
Company registered office:	1066 London Road, Leigh On Sea, Essex, SS9 3NA
Former trading address:	6 Osborn Street, Tower Hamlets, London, E1 6TD

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	08 September 2022
Date of liquidators' appointment:	Wayne Macpherson - 08 September 2022 Dominik Thiel-Czerwinke – 03 July 2023
Changes in liquidator (if any):	Dominik Thiel-Czerwinke replaced David Farmer as Joint Liquidator of the Company on 03 July 2023 by order of the court.

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 08 September 2022 to 07 September 2023.

Asset Realisations

Secured Assets

Goodwill

The sum of £8,000 has been received from our instructed agents, ITC Valuers ("ITC"), in relation to sale of the Company's goodwill. Further information in respect of the sale was provided in our letter previously made available to creditors dated 03 October 2022.

IT Equipment

The sum of £4,000 has been received from ITC, in relations to the IT Equipment. As above further information in respect of the sale was provided in our post appointment letter to creditors dated 03 October 2022. No further funds are anticipated.

Cost of Realisation

Pension Costs

The sum of £225 plus VAT has been paid to IPERA Services Limited in the period, in respect of an initial assessment of the Company's pension scheme followed by assistance with the completion and submission of an RP15 claim to allow for pension arrears to be paid up to the scheme via the Redundancy Payments Office.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2. The details below relate to the work undertaken in the period of this report only.

General case administration and planning

- Maintaining and updating the electronically held information at this office;
- General filing of incoming communications;
- Preparing and updating case strategy plan;
- Completion of periodic case and compliance reviews;
- Review and update of case compliance checklists and internal case diary;
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories;
- General case updates, including internal meetings on case strategy and effect of instruction;
- Overseeing and controlling the work undertaken on this engagement by junior members of staff;
- Ensure time recording data is compliant with Statement of Insolvency Practice 9.

On this engagement, the work identified above has not held a direct commercial benefit to creditors. Creditors benefit from this work as it ensures this particular engagement is dealt with to the standards expected of this firm and in a timely fashion. Elements of this work are required to comply with best practice and statute.

Compliance with the Insolvency Act, Rules and best practice

- Compliance with the Insolvency Act, Rules and best practice
- Initial notification to Registrar of Companies and The London Gazette;
- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary;
- Ongoing consideration of data protection.

Banking

- Opening, maintaining and managing the insolvent estate bank account;
- Creating, maintaining and managing the officer holders' cash book on this assignment;
- Undertaking regular bank reconciliations of the liquidation bank account;
- Complying with risk management procedures;
- Accounting for accruing interest on the cash book;
- Preparing and processing cheque requisition forms for the payment of post-appointment invoices;
- Preparing and processing remittance advices for incoming funds; and
- Processing of BACS/electronic payments.

On this engagement, the work identified above has not held a direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

Investigations

- The Joint Liquidators have issued standard letters to the Company's bank, accountants, and directors;
- Responses received have been analysed and considered;
- Completion of internal investigations checklists;
- We have submitted a report on the director's conduct in accordance with the Companies Director Disqualification Act.

The work detailed above has had no direct financial benefit to creditors. It should be noted that it is a duty of the Joint Liquidators to comply with the Insolvency Act and Rules to report on the director's conduct, for which there is no direct commercial benefit.

Realisation of assets

- Liaison with instructed agents regarding IT Equipment and goof sales;
- Accounts for the proceeds of the sale conducted by instructed agents.

On this assignment, the work detailed above has realised assets for the insolvent estate. The office holders are duty bound to realise and get in the Company's property and maximise asset realisations. In this case, the realisations have enabled a dividend to the secured creditor.

Dealing with all creditors' claims (including employees), correspondence and distributions

- Updating schedules of creditor claims;
- Receipt of creditor claims and input on internal case management software;
- Acknowledgment of creditor claims correspondence and/or dealing with further queries on claims;
- Liaison with secured creditor, including distributions under the fixed element of their security.

On this engagement, the work detailed above has had a direct financial benefit to the secured creditor, as a dividend has been paid to the secured creditor.

Other matters which include seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedures, tax, litigation, pensions and travel)

- Notifying HM Revenue & Customs of insolvency;
- Letter to HMRC in respect of pre-liquidation corporation tax;
- Letter to HMRC in respect of VAT de-registration;
- Post appointment tax compliance – submission of corporation tax return(s);
- Post appointment VAT compliance – submission of VAT return(s).

There is no financial benefit to creditors of this work, but it is carried out in order to comply with the relevant tax legislation.

Pension

- Establishing if a pension exists, to include online checks;
- Notification of pension protection fund and others of insolvency;
- Engagement of pension trustee services to assist the office holders and communications thereafter to assist in completing all necessary requirements to conclude the pension scheme.

There may be a financial benefit to former employees of the Company where there are any arrears owed to the Company pension scheme as part of the work is to identify whether this is the case and submit information to the Redundancy Payments Office to top up payments to the scheme. It is also required by statute for the office holders to identify any possible pension schemes in place and deal with their closure or otherwise.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the directors' statement of affairs.

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows:

Secured creditors

Coutts and Co hold a fixed and floating charge and were estimated to be owed £91,097.

In the period they were paid the sum of £6,480 by way of distribution under their fixed charges security following the sale of goodwill.

It is anticipated there will be insufficient funds available to enable a further dividend.

Preferential creditors

There are no known preferential creditors.

Secondary preferential creditors

Further to the changes to the Finance Act 2020, HM Revenue & Customs are now able to claim secondary preferential status for certain liabilities. Taxes owed by the business to HMRC comprising of VAT, PAYE Income

Tax, Employee National Insurance Contributions, Student loan deductions and Construction Industry Scheme deductions fall under the secondary preferential status.

The secondary preferential claim of HM Revenue & Customs is estimated at £61,675 in respect of PAYE and £109,057 in respect of VAT. To date no formal claim has been received from HM Revenue & Customs.

Based upon realisations to date and estimated future realisations, there will be insufficient funds available to enable a dividend to be paid to HM Revenue & Customs as secondary preferential creditor.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for 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 debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of *net property*;
- ☐ 20% of *net property* thereafter;
- ☐ Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if:

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

We have estimated, to the best of our knowledge and belief, the Company's net property, as defined in Section 176A(6) of the Act, to be £nil and the prescribed part of the Company's net property to be £nil

There will be no distribution of the prescribed part as our estimate of the Company's net property is less than the minimum prescribed by the Insolvency Act 1986 (Prescribed Part) Order 2003 and we think, in accordance with Section 176A(3)(b) of the Act, that the costs of making a distribution of the prescribed part to unsecured creditors would be disproportionate to the benefits.

Unsecured creditors

It was estimated that there were 12 unsecured creditors with claims totalling £402,964. To date 5 claims have been received totalling £177,410

Based upon realisations to date and estimated future realisations it is anticipated there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors.

6. REMUNERATION & EXPENSES

Remuneration

We wrote to creditors on 03 October 2022 advising that we would not be seeking to fix the basis of our remuneration at that time due to it being anticipated that there would be insufficient realisations to enable any

Joint Liquidators remuneration to be discharged. It was advised that should the position alter during the course the liquidation we may write further in this regard. The position has not changed.

For information purposes only, our time costs for the period from 08 September 2022 to 07 September 2023 amount to £12,080 which represents 36.2 hours at an average rate of £333.72 per hour.

The following further information in relation to our time costs and expenses is set out at Appendix 2:

- ❑ Time Costs Analysis for the period 08 September 2022 to 07 September 2023
- ❑ Begbies Traynor (Central) LLP's charging policy

For the avoidance of doubt, we have not drawn any remuneration.

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case and gives the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the liquidation.

Please note that each analysis provides details of the work undertaken by us and our staff following our appointment only.

Expenses

To 07 September 2023, we have also drawn expenses in the sum of £238.82.

Why have subcontractors been used?

Pension Costs

IPERA were instructed on a fixed cost basis to undertake a review of the Company's pension scheme, establish whether any unpaid contributions were outstanding and deal with the formalities of closing the scheme. IPERA were engaged on account of their expertise and experience in dealing with similar matters previously.

Category 2 Expenses

No Category 2 expenses have been incurred during the period.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3.

8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

There remain no assets to be realised. The only outstanding issues remains the receipt of the outstanding VAT refund.

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General case administration and planning

- Updating case strategy plan;
- Update of case compliance checklists;
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories;
- General case updates to include internal meetings on case strategy and effecting instruction;
- Ongoing maintenance of up to date information on the electronic case information;
- Overseeing and controlling the work undertaken on this engagement by junior staff;
- Completion of six monthly compliance and progression checklists;
- Ensure time recording data is compliant with Statement of Insolvency Practice 9.

On this engagement, the work identified above does not hold a direct commercial benefit to members. Members benefit from this work as it ensures this particular engagement is dealt with to the standards expected and also in a timely fashion. Elements of this work are required to comply with best practice and statute.

Compliance with the Insolvency Act, Rules and best practice

- Reviewing the adequacy of the specific penalty bond periodically;
- Ongoing consideration to ethical practice and money laundering regulations;
- Updating case checklists and statutory diaries where necessary;
- Maintain accurate account of receipts and payments;
- Issuing annual progress reports for submission at Companies House.

Closure

- Preparing, reviewing and issuing final report to members and creditors;
- Filing of final return at Companies House;
- Update physical and electronic case records following closure.

On this engagement, the work identified above does not have a direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

Investigations

- None.

Realisation of assets

- None.

Dealing with all creditors' claims (including employees), correspondence and distributions

- Receipt of creditor claims and input on internal case management software.

On this engagement, the work identified above does not hold a direct commercial benefit to creditors as no dividend is currently forecast.

Other matters which include seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedure, tax, litigation, pensions and travel)

- The Completion of Corporation Tax returns;
- Filing of final Corporation Tax return;
- Seeking closure clearance from HMRC.

There is no direct financial benefit to creditors of this work however it is a requirement of the office holders to complete and file tax returns in accordance with tax legislation.

How much will this further work cost?

It is estimated that the further work will cost in the region of £3,000. However, as mentioned above no creditor approval to draw remuneration is held.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are provided in Appendix 3.

What is the anticipated payment for administering the case in full?

We have not sought creditor approval for Joint Liquidators remuneration. As such no payment is anticipated to this firm. Should the circumstances in the liquidation change we may write to creditors for approval of our remuneration. In that instance, the anticipated payment would be capped at the level that creditors approve.

9. OTHER RELEVANT INFORMATION

Connected party transactions

In accordance with Statement of Insolvency Practice 13, we are obliged to inform creditors of any sale of the Company's business or assets which involves a party connected to the Company. These transactions were disclosed in our letter to creditors made available on 03 October 2023.

Use of personal information

Please note that in the course of discharging our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.



Wayne Macpherson
Joint Liquidator

Dated: 6 November 2023

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 08 September 2022 to 07 September 2023

Acme Films Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 07/09/2023

S of A £		£	£
5,000.00	SECURED ASSETS Goodwill	8,000.00	8,000.00
(91,097.27)	SECURED CREDITORS Coutts & Co	6,480.00	(6,480.00)
13,169.00	SECURED ASSET Rent Deposit	NIL	NIL
(13,169.00)	SECURED CREDITOR Workspace Management	NIL	NIL
7,000.00	ASSET REALISATIONS IT Equipment	4,000.00	4,000.00
	COST OF REALISATIONS Pension Costs	225.00	(225.00)
(109,057.00)	SECONDARY PREFERENTIAL CREDITORS HMRC VAT	NIL	
(61,674.72)	HMRC PAYE	NIL	NIL
(17,396.97)	UNSECURED CREDITORS Trade Creditors	NIL	
(79,802.54)	Directors loan account	NIL	
(30,766.40)	HMRC CT	NIL	NIL
(100.00)	DISTRIBUTIONS Ordinary Shareholders	NIL	NIL
(377,894.90)			5,295.00
	REPRESENTED BY Vat Receivable		45.00
	Barclays Floating Current Account		5,250.00
			5,295.00

wmacp
 pp Dominik Thiel-Czerwinke
 Joint Liquidator

COSTS AND EXPENSES

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 08 September 2022 to 07 September 2023.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This policy applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the creditors' decision being made for the office holder to be remunerated on a time cost basis. Best practice guidance* requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fees estimate creditors can see how we propose to be remunerated.

In addition, this policy applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest.

Best practice guidance* indicates that such charges should be disclosed to those who are responsible for approving the basis of the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of their staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded in 6 minute units at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements, which are expenses that are initially paid by the office holder's own firm, but which are subsequently reimbursed from the estate when funds are available.

Best practice guidance classifies expenses into two broad categories:

- ❑ *Category 1 expenses (approval not required)* - Specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 expenses (approval required)* - Items of expenditure that are directly related to the case and either:
 - (i) include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party; or
 - (ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

Shared or allocated costs (pursuant to (i) above)

The following expenses include an element of shared or allocated cost and are charged to the case (subject to approval).

- ☐ Car mileage which is charged at the rate of 45 pence per mile.

General Office Overheads

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 expense*:

- ☐ Telephone and facsimile
- ☐ Printing and photocopying
- ☐ Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally but vary to suit local market conditions. The rates applying to the Southend office as at the date of this report are as follows:

Grade of staff	Charge-out rate range (£ per hour) 10th July 2023 until further notice
Appointment taker/partner	670-815
Managers/directors	525-640
Other professional	285-425
Junior professional/support	210

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

As detailed above, time is recorded in 6 minute units.

* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This policy applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the creditors' decision being made for the office holder to be remunerated on a time cost basis. Best practice guidance* requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fees estimate creditors can see how we propose to be remunerated.

In addition, this policy applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest.

Best practice guidance* indicates that such charges should be disclosed to those who are responsible for approving the basis of the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of their staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded in 6 minute units at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements, which are expenses that are initially paid by the office holder's own firm, but which are subsequently reimbursed from the estate when funds are available.

Best practice guidance classifies expenses into two broad categories:

- ❑ *Category 1 expenses (approval not required)* - Specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 expenses (approval required)* - Items of expenditure that are directly related to the case and either:
 - (i) include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party; or
 - (ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

Shared or allocated costs (pursuant to (i) above)

The following expenses include an element of shared or allocated cost and are charged to the case (subject to approval).

- ☐ Car mileage which is charged at the rate of 45 pence per mile.

General Office Overheads

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 expense*:

- ☐ Telephone and facsimile
- ☐ Printing and photocopying
- ☐ Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally but vary to suit local market conditions. The rates applying to the Southend office as at the date of this report are as follows:

For cases where the appointment date is between 31st December 2021 and 10th July 2023, include the following table, otherwise delete:

Grade of staff	Charge-out rate (£ per hour)	Complex charge out rates (£)
Consultant/Partner	690	760
Director	580	640
Senior Manager	500	550
Manager	475	525
Assistant Manager	385	425
Senior Administrator	340	375
Administrator	260	290
Trainee Administrator	190	210
Support	175	195

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

As detailed above, time is recorded in 6 minute units.

* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

SIP9 Acme Films Limited - Creditors Voluntary Liquidation - 03AC271.CVL : Time Costs Analysis From 08/09/2022 To 07/09/2023

Staff Grade	Consultant/Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average Hourly rate £
General Case Administration and Planning	Case planning	0.5								0.5	290.00	580.00
	Administration	2.4					7.9	3.9	0.5	14.7	4,296.50	292.28
	Total for General Case Administration and Planning:	2.9					7.9	3.9	0.5	15.2	4,586.50	301.74
	Appointment	0.3								0.3	174.00	580.00
Compliance with the Insolvency Act, Rules and best practice	Banking and Bonding	0.1					0.2	0.3	2.5	3.6	858.00	238.33
	Case Closure											0.00
	Statutory reporting and statement of affairs						0.5			0.5	130.00	260.00
	Total for Compliance with the Insolvency Act, Rules and best practice:	0.4					0.7	0.3	2.5	4.4	1,162.00	264.09
Investigations	CDDA and investigations	1.5					6.7			8.2	2,612.00	318.54
	Total for Investigations:	1.5					6.7			8.2	2,612.00	318.54
Realisation of assets	Debt collection											0.00
	Property, business and asset sales	2.6								2.6	1,508.00	580.00
	Retention of Title/Third party assets											0.00
	Total for Realisation of assets:	2.6								2.6	1,508.00	580.00
Trading	Trading											0.00
	Total for Trading:											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured	1.4					0.4			1.8	916.00	508.89
	Others	0.1					0.8			0.9	266.00	295.56
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	1.5					1.2			2.7	1,182.00	437.78
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors											0.00
	Meetings											0.00
	Other	0.5					1.2			1.7	602.00	354.12
	Tax	0.2					1.2			1.4	428.00	305.71
	Litigation											0.00
	Total for Other matters:	0.7					2.4			3.1	1,030.00	332.26
	Total hours by staff grade:						18.9	4.2	3.0	36.2		
	Total time cost by staff grade £:						4,924.00	816.00	525.00		12,089.50	
	Average hourly rate £:						260.53	194.29	175.00			333.72
	Total fees drawn to date £:										0.00	

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Postage	Postworks	38.62	NIL	38.62
Statutory Advertising	The Stationery Office Limited	179.60	NIL	179.60
Specific Penalty Bond	AUA Insolvency Risk Services	20.60	NIL	20.60

ADDITIONAL EXPENSES ANTICIPATED FOR FUTURE WORK

Expenses anticipated to be incurred prior to closure of the case	Name of party with whom expense anticipated to be incurred	Amount estimated to cost £
Postage	Postworks	40