

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



A30

A88FPUBS

26/06/2019

#258

COMPANIES HOUSE

1 Company details

Company number 0 1 0 9 5 2 2 4

Company name in full Scope Features (Photographers' Agents) Limited

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

2 Liquidator's name

Full forename(s) Paul

Surname Bailey

3 Liquidator's address

Building name/number 257b Croydon Road

Street Beckenham

Post town Kent

County/Region

Postcode B R 3 3 P S

Country

4 Liquidator's name

Full forename(s) Tommaso Waqar

Surname Ahmad

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

5 Liquidator's address

Building name/number 257b Croydon Road

Street Beckenham

Post town Kent

County/Region

Postcode B R 3 3 P S

Country

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

LIQ03

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6 Period of progress report

From date	^d 2	^d 7	^m 0	^m 4	^y 2	^y 0	^y 1	^y 8
To date	^d 2	^d 6	^m 0	^m 4	^y 2	^y 0	^y 1	^y 9

7 Progress report

The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 2	^d 5	^m 0	^m 6	^y 2	^y 0	^y 1	^y 9
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LIQ03

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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 **Tony Connor**

Company name **Bailey Ahmad Limited**

Address **257b Croydon Road**

Beckenham

Post town **Kent**

County/Region

Postcode **B R 3 3 P S**

Country

DX

Telephone **020 8662 6070**



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

Scope Features (Photographers' Agents) Limited (In Liquidation)

Joint Liquidators' Annual Progress Report to Creditors and Members

25 June 2019

Paul Bailey and Tommaso Waqar Ahmad
Joint Liquidators

www.baileyahmad.co.uk

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Contents

1. Introduction and statutory information
2. Progress of the Liquidation
3. Creditors
4. Joint Liquidators' Remuneration
5. Creditors' rights
6. Next report
7. Assistance

Appendices

- A. Receipts and payments account for the period 27 April 2018 to 26 April 2019
- B. Fee resolutions
- C. Fee structure
- D. Additional information in relation to Joint Liquidators' fees, expenses and disbursements

1 Introduction and statutory information

We, Paul Bailey and Tom Ahmad, both of Bailey Ahmad Business Recovery, 257b Croydon Road, Beckenham, Kent, BR3 3PS, were appointed as Joint Liquidators of Scope Features (Photographers' Agents) Limited (the Company) on 27 April 2018. This progress report covers the period from 27 April 2018 to 26 April 2019 (the Period) and should be read in conjunction with any previous reports which have been issued.

Information about the way that we will use, and store personal data on insolvency appointments can be found at <https://baileyahmad.co.uk/resources/>. If you are unable to download this, please contact us and a hard copy will be provided to you.

The principal trading address of the Company was 26-29 Saint Cross Street, Hatton Garden, London EC1N 8UH.

The registered office of the Company was changed to 257b Croydon Road, Beckenham, Kent, BR3 3PS and its registered number is 01095224.

2 Progress of the Liquidation

This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Joint Liquidators and their staff.

At Appendix A is our receipts and payments account for the Period.

Work done in the period

We have dealt with the following matters during the Period:

- Surrendered a bond and collected proceeds due to the Company
- Issued letters to debtors and recovered amounts due to the Company
- Liaised with NatWest Bank and collected balances held
- Recovered royalties due to the Company
- Prepared and filed a VAT return and collected a refund
- Prepared and filed a Corporation Tax Return
- Dealt with employee claims and liaised with the Redundancy Payments Service
- Dealt with ad hoc creditor communication (by post, email and telephone)
- Carried out two case reviews and regular bond reviews
- Carried out monthly bank reconciliations
- Cashiering matters (including posting transactions to the estate cash book)

Further detail on the work carried out during the Period can be found below.

Administration (including statutory compliance and reporting)

An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work we anticipated would need to be done in this area was outlined to creditors in our initial fees information.

As noted in our initial fees information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of assets

Bond (estimated to realise: uncertain)

Following our appointment, we issued a letter to Canada Life Limited (CLL) to enquire about a bond held by the Company and how it could be surrendered. After liaising with CLL the bond was ultimately surrendered with proceeds of £2,341.72 being remitted to us for the benefit of the liquidation.

Book debts (estimated to realise: uncertain)

The Company's outstanding retention ledger upon our appointment was £53,065. A number of letters were issued to the debtors and during the Period the total sum of £9,949 has been recovered.

Debts totalling £33,166 have now been written off either due to them being disputed or it not being commercial to continue pursuing.

The residual ledger of £19,623 will be passed to Kinetica Consult Limited (KCL), which specialises in book debt recovery in the context of insolvency.

Following KCL's review of the ledger we will consider the advice and proceed accordingly. Consequently, further debtor recoveries are uncertain at this time and we will therefore update creditors in due course.

Cash at bank (estimated to realise: £1,332.81)

Various balances totalling £1,939.11 have been remitted to us following our appointment.

Royalties

The sum of £150 has been forwarded to us in connection with photographs used by organisations following the liquidation.

VAT refund

The sum of £1,000 was procured from HM Revenue & Customs.

It is considered that the work the Joint Liquidators and their staff have undertaken to date will bring a financial benefit to creditors only in the event that there are sufficient recoveries after defraying the costs and expenses of the process. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3rd party security, result in a distribution to the preferential and unsecured creditors of the Company.

Creditors' claims and distributions

Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. The Joint Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.

Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.

The above work will not necessarily bring any financial benefit to creditors generally, however the Joint Liquidators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Joint Liquidators in dealing with those claims.

We consider the following matters worth noting in our report to creditors at this stage:

- There are approximately 43 unsecured creditor claims in this case with a value per the director's statement of affairs of £397,168;

You may recall from our first progress report to creditors that some of the work the Joint Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidators can pursue for the benefit of creditors.

Our report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the Period and is confidential.

No asset realisations have come to light that may be pursued by us for the benefit of creditors.

3. Creditors

Preferential creditors

No preferential creditor claims are anticipated in this matter.

Unsecured creditors

We have received claims totalling £57,315 from 13 creditors. We have yet to receive claims from 40 creditors whose total debts are estimated at £42,498 as per the director's statement of affairs.

There is no qualifying floating charge in this case so the prescribed part provisions do not apply.

Based on current information, we anticipate that there will not be a dividend to unsecured creditors in this matter due to asset realisations being insufficient. This may change dependent on further debtor recoveries.

4. Joint Liquidators' remuneration

Details of all resolutions passed by creditors in relation to remuneration and disbursements are included at Appendix B.

At Appendix C to this report, we attach our fee structure which was approved by creditors on 25 May 2018. You will note that creditors approved that the basis of the Joint Liquidators' remuneration be fixed as a combination of a set amount and a percentage of the value of the Company's assets realised in accordance with the fee basis provided to creditors. The Joint Liquidators were authorised to draw their remuneration on account of costs incurred as and when funds permit.

During the Period, the following fixed costs have been incurred:

Category of work	Cost £
Statutory work associated with appointment and closure	3,000.00
Work associated with dealing with pension schemes	2,250.00
Preliminary review of company records	2,250.00
Unsecured creditor base charge (up to 25 unsecured creditors)	7,000.00

Employee base charge (up to 10 employees)	2,750.00
Annual statutory obligations	1,500.00
Cashiering	2,000.00
Case monitoring/review	1,500.00
Statutory reporting	800.00
Preliminary director investigation and reporting	400.00
Additional unsecured creditors (over and above the 25 included in the base cost)	To be calculated
Total	£23,450.00

Fees incurred and drawn

During the Period, we have incurred fixed fees in relation to the tasks detailed in the above table and we have drawn £10,000 plus VAT on account of the fixed fee elements, as authorised by creditors.

The Joint Liquidators have made the following realisations upon which the creditors have approved a percentage be taken as remuneration. Details of the realisations to date and associated remuneration drawn on account of those realisations are set out below:

Asset category	Value of assets realised in Period	Remuneration % agreed	Total fees invoiced to date	Fees incurred
Book debts	£9,949.24	40% of gross realisations	£0.00	£3,979.70
Bond	£2,341.72	15% of gross realisations	£0.00	£351.26
Cash at bank	£1,939.11	15% of gross realisations	£0.00	£390.87
Royalties	£150.00	50% of gross realisations	£0.00	£75.00
VAT refund	£1,000.00	30% of gross realisations	£0.00	£300.00
Total	£15,380.07		£0.00	£5,096.83

Details of the steps taken to realise the above assets are provided in detail in section 2 – Progress of the Liquidation, above.

Creditors will note that we have not drawn any fees in connection with asset recoveries.

A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>.

Attached as Appendix D is additional information in relation to the Joint Liquidators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

work still to be done before the liquidation can be concluded.

As detailed as above, the following matters need to be finalised:

- Complete debt recovery exercise
- Consider payment of a dividend if sufficient funds are available

5 Creditors' rights

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) may request in writing that the Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in this progress report, are excessive.

6 Next report

We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless we have concluded matters prior to this, in which case we will write to all creditors with our final account.

7 Assistance

If you require any assistance, please do not hesitate to contact a member of our team on 020 8662 6070 or email us at info@babr.co.uk.

Appendix A

Receipts and payments account for the period 27 April 2018 to 26 April 2019

**Scope Features (Photographers' Agents) Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments**

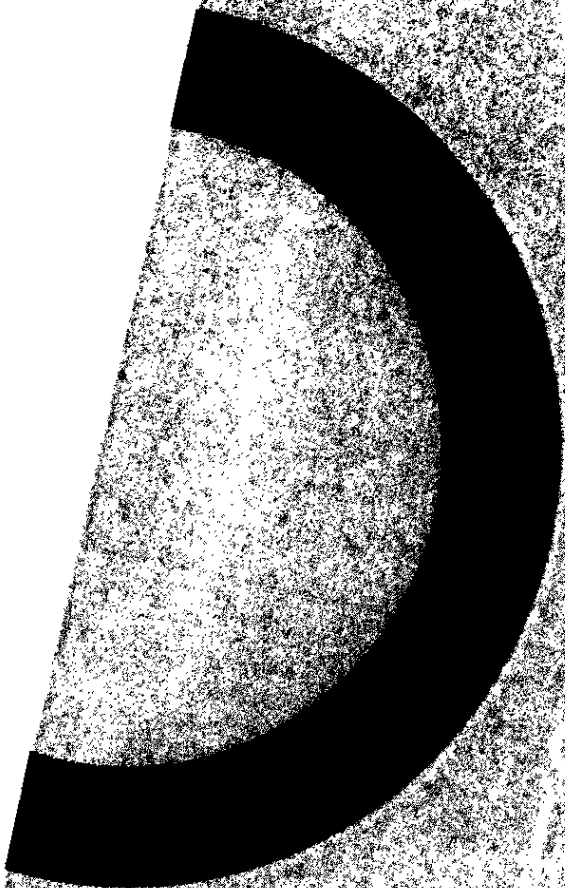
Statement of Affairs £		From 27/04/2018 To 26/04/2019 £	From 27/04/2018 To 26/04/2019 £
	ASSET REALISATIONS		
Uncertain	Bond	2,341.72	2,341.72
Uncertain	Book debts	9,949.24	9,949.24
1,332.81	Cash at bank	1,939.11	1,939.11
NIL	Furniture and equipment	NIL	NIL
	Royalties	150.00	150.00
	VAT refund	1,000.00	1,000.00
		15,380.07	15,380.07
	COST OF REALISATIONS		
	Office holders' expenses	212.00	212.00
	Office holders' fees	10,000.00	10,000.00
	Sub-contractors fees	300.00	300.00
		(10,512.00)	(10,512.00)
	UNSECURED CREDITORS		
(330,423.00)	Director	NIL	NIL
(43,598.79)	Employees	NIL	NIL
(1,872.57)	HM Revenue & Customs - VAT	NIL	NIL
(12,700.68)	Photographers	NIL	NIL
(8,573.28)	Trade and expense creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(10.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(395,845.51)		4,868.07	4,868.07
	REPRESENTED BY		
	Bank Current		3,468.07
	VAT receivable		1,400.00
			4,868.07

Appendix B

Fee resolutions

The following resolution was passed by creditors by correspondence on 25 May 2018

“That the remuneration of the Liquidator be fixed as a combination of a set amount and a percentage of the value of the Company’s assets realised in accordance with the fee basis provided to creditors.”



**Bailey Ahmad Business
Recovery**

Editor's Voluntary
Foundation Fee

Introduction

This document explains the work that Bailey Ahmad Business Recovery will typically complete when administering a Creditors' Voluntary Liquidation, together with our associated fee basis for each category of work completed. We consider that the fee basis is a fair and reasonable reflection of the work that we anticipate will be necessary, on the basis that the liquidators have ensured that resources are allocated to tasks based upon expertise and experience in dealing with the complexity of the work being undertaken.

In addition, we explain our policy in relation to the charging of necessary disbursements.

The fees, and associated disbursements, applied will be subject to the particular circumstances that arise during the course of the liquidation.

Summary of the work involved

Charges fixed for the duration of the liquidation

Statutory duties upon appointment

- Set up of the case on our internal systems
- Anti-money laundering checks and due diligence where required
- Set-up of case checklists and system diary
- Preparing contents listing of records delivered up by directors, re-boxing if necessary
- Statutory notifications to Companies House and members
- Advertisements
- Notifications to directors, former bankers, professional advisors, local authority, HM Revenue & Customs (HMRC) and Information Commissioner
- Arranging insurance cover over assets and bonding

Statutory duties upon closure

- Preparing clearance letters and returns to HMRC advising them of intended closure of the liquidation
- Preparing a final account to members and creditors
- Issuing the final account to Companies House
- Checking receipt of statutory filings at Companies House website

Final meeting and final accounts to members and creditors

- Preparing notices
- Preparing advertisement
- Hiring or booking a meeting room
- Updating our internal systems

- Considering other means of attendance if required by certain attendees e.g. by phone
- Preparing minutes and meeting documents
- Reporting as necessary on the outcome of the meeting

Particulars of services

- Notification to Pensions Regulator
- Obtaining Pensions Regulator unique code for each case to enable an online notification of liquidation
- Online notification to Pension Protection Fund of pension scheme(s)
- Postal notifications to Pension Protection Fund and scheme provider
- Instructing specialist pensions agent to report on any occupational pension schemes and advise of the Liquidators' statutory obligations
- Carrying out obligations as recommended by the pensions agent
- Establishing from records, bank statements and scheme provider whether there are any arrears of contributions prior to liquidation
- Preparing and submitting RP15 (arrears of pension contributions claim) to Redundancy Payments Service (RPS)

Preliminary review of books and records

- Review of books and records, accounts and bank statements

Unsecured creditor claims and distribution

- Statutory notifications to creditors
- Maintaining creditor records on our internal systems
- General correspondence and telephone calls
- Recording claims
- Opening and processing incoming post
- Processing outgoing post and filing

Preparation of RP14 and RP14A

- Preparation of RP14 (insolvency detailed disclosure) and RP14A (schedule of employees and entitlements) to be uploaded to the RPS online system
- Statutory notifications to employees
- Dealing with queries from former employees and the RPS
- Dealing with any discrepancies with claims, liaising with directors, advising the RPS accordingly
- Dealing with RPS queries in relation to asset sales

2.1.1 Formation and initial meeting

- Formation and initial meeting
- Preparing minutes
- Provision of various guidance and documents
- Statutory filing of constitution documents at Companies House

2.1.2 Annual charges payable each year from commencement

Annual statutory obligations

- Preparing annual corporation tax returns
- Receipts and payments account to Companies House
- Checklist/Diary review and update

Cashiering

- Raising invoices and associated paperwork
- Raising deposit vouchers
- Posting deposits and expenditures to our internal systems
- Preparing recharge vouchers for items of expenditure met from the firm's account
- Setting up a designated case account
- Liaising with bankers
- Setting up payments by bank transfer and cheque for professional and other disbursements
- Monthly bank reconciliation
- Maintaining receipts and payments account
- Periodic VAT reconciliation and returns
- Bond calculation and submission

Case Monitoring and Review

- Periodic case reviews
- Strategy discussions and file notes
- Reviewing and updating checklists
- File notes
- Bond reviews and increases where necessary
- Review of insurance cover and liaising with insurers following identification or disposal of assets

Shareholder Reporting

- Initial report to members and creditors following appointment
- Annual reports to members and creditors and filing copy with Companies House
- Reporting to committee (where applicable)
- Additional reporting to creditors where required
- Preparing a final account to members and creditors

- Set up of creditor/member log in area on our website, uploading reports, providing hard copies of reports when requested

Director and Committee Obligations

- Liaising with committee members
- Notices as applicable regarding asset disposals
- Seeking direction via postal resolutions
- Provision of receipts and payments to members where requested
- Dealing with committee expense claims
- Circulation of reports
- Carrying out investigations as required

Company Charges

Preparation of Director Investigation Report (DIRE)

- Letters and telephone calls to banks for information and statements where required
- Correspondence with creditors regarding investigation matters (where relevant)
- Chasing (where necessary) and review of directors' questionnaires, general correspondence with directors
- General correspondence with The Insolvency Service
- Submission of return/report to the Directors' Disqualification Unit of the UK Department for Business Innovation & Skills under the provisions of the Company Directors Disqualification Act

Attachment of Secured Creditors

- See 'Unsecured creditor base cost and communication'

Attachment of Employees

- See 'Employee base cost and communication'

Director's Base Cost

- Preparing reports on the outcome of investigations into matters raised by the committee and of the conduct of the liquidation

Director's Base Cost

- Holding physical committee meetings as required
- Preparing and documenting minutes

Requirements for Insolvency Services

- Review of claims and supporting documentation in conjunction with the Company's records
- Seeking director input where required
- Liaising with creditors regarding agreement process and general queries
- Requesting further evidence of claim from creditors
- Writing to creditors yet to claim
- Advertisement and circulation of a 'notice of intended dividend'
- Calculation of dividend and preparing estimated outcome statement(s)
- Preparing letters to creditors with dividend cheques
- Chasing creditors to present cheques
- Managing the rejection of claims which are either out of time or without basis
- Payment of unclaimed dividends to The Insolvency Service
- Monitoring correspondence regarding opting in and out of future communications
- Maintaining our internal systems regarding opted out creditors

Employees and Redundancy Payments Service

- Requesting detailed breakdown of RPS claim which details the payments made to each claimant
- Agreement of preferential claims in relation to RPS schedule, any Tribunal Judgments and original RP14A
- Agreement of unsecured claims in relation to RPS schedule, any Tribunal Judgments and original RP14A
- Writing to creditors yet to claim
- Advertisement and circulation of a 'notice of intended dividend'
- Calculation of dividend and preparing estimated outcome statement(s)
- Preparing letters to creditors with dividend cheques
- Chasing creditors to present cheques if required
- Payment of unclaimed dividends to The Insolvency Service

Secured Creditors

- General correspondence with secured creditors
- Review of debentures
- Seeking legal advice regarding validity if appropriate
- Seeking secured creditor views on proposed strategy
- Agreement of claim(s)
- Preparing estimated outcome statements
- Processing and payment of dividend

Prescribed Part and Claims for Unsecured Creditors

- Procuring claim from any qualifying floating charge holder
- Calculation of prescribed part following payment in full of any preferential claims
- Writing to creditors yet to claim
- Advertisement and circulation of a 'notice of intended dividend'
- Calculation of dividend and preparing estimated outcome statement(s)
- Preparing letters to creditors with dividend cheques
- Chasing creditors to present cheques if required

Asset recovery

Debtors

- Review and reconciliation of debtor records
- Setting up and maintaining debtor records on our internal systems
- Writing to debtors with evidence of debt and requesting payment
- Chaser letters as required
- File notes
- Dealing with debtor queries, disputes, reverting to directors where required
- If applicable, preparing a handover to a debt collection agent
- Dealing with the agent's queries and monitoring
- Reconciliation of bank statements, and requesting further information from banks
- Considering legal action and write offs
- Chasing/monitoring dividends from debtor insolvencies and ensuring the Company's claim is acknowledged

Property Management Issues

- Securing assets
- Preparing and circulating notice of disclaimer where relevant
- Land Registry searches and applications
- Instructing and liaising valuation and other professional agents
- Instructing and liaising with solicitors
- Considering viability of lease assignment
- General correspondence with landlord
- Sale/assignment negotiation
- Monitoring recovery of asset and receipt of sale proceeds

Director's Duties - Liquidation

- Securing assets
- Instructing and liaising with agents
- Discussion and negotiation with interested parties
- Considering finance, leased or third party interests
- Review of agent's recommendations regarding offers and acceptance
- Preparing and circulating notice of disclaimer where relevant
- Monitoring asset recovery
- Instructing and liaising with solicitors where necessary
- Review/preparation of sale contracts/invoices
- Monitoring receipt of sale proceeds

Director's Property Board Duties

- Instructing and liaising with agents
- Instructing and liaising with solicitors where necessary
- Discussion and negotiation with interested parties
- Review of agent's recommendations regarding offers and acceptance
- Liaising with secured creditor(s) regarding offers to purchase (if applicable)
- Review/preparation of sale contracts/invoices
- Monitoring receipt of sale proceeds

Director's Bank Accounts

- Procuring up to date reconciliation from professional advisors as applicable
- Negotiating repayment proposal or settlement
- Periodic request and review of income and expenditure
- Requesting and review of details of the directors' personal asset/liability position
- Monitoring settlement
- Liaising with director regarding late payments or amendments to repayment strategy
- Instructing solicitors/agents if required

Share

- Secure assets
- Discussion and negotiation with interested parties
- Instructing and liaising with agents
- Review of agent's recommendations regarding offers and acceptance
- Preparing and circulating notice of disclaimer where relevant
- Monitoring asset recovery
- Instructing and liaising with solicitors where necessary

- Review/preparation of sale contracts/invoices
- Monitoring receipt of sale proceeds
- Dealing with creditors regarding claims for retention of title over goods supplied

Company Bankers

- Identify company bankers
- Correspond with bankers with a view to procurement of balances held
- Monitoring of bank accounts for any ongoing receipts if likely
- Consider exchange rates where foreign currency is involved
- Procurement of any known prepayments or deposits

Motor Vehicles

- Secure assets
- Discussion and negotiation with interested parties
- Instructing and liaising with agents
- Review of agent's recommendations regarding offers and acceptance
- Preparing and circulating notice of disclaimer where relevant
- Monitoring asset recovery
- Liaising with finance/lease companies
- Dealing with general correspondence from DVLA and finance companies

Rent Deposits

- General correspondence with landlord
- Instructing specialist agents if necessary (e.g. quantity surveyors)
- Instructing solicitors as required
- Considering set-off
- Negotiating recovery and monitoring receipt

Legal Actions

- Considering whether to continue with any legal action already commenced by the Company
- Any action required following director investigations
- Instructing solicitors to review the relevant paperwork
- Agreeing proposed course of action with legal advisors after considering facts and prospect of success/failure
- Liaising with creditors and other interested parties as required
- Seek sanction for costs as required
- Consider funding and ATE insurance

19/01/2019

- Preparation/Submission of tax returns
- Where appropriate, instruct specialist tax agents/accountants
- Consider potential Crown Set-off
- Procuring information to assist agent/accountant with preparing application
- General correspondence with HMRC
- Monitoring receipt of any refund due

Emley Ahmad Business Recovery

Creditors Voluntary Liquidation Fee Structure

* Please note that all prices shown are excluding VAT

Basic of liquidators fees

Statutory duties

	£
Charges fixed for the duration of the liquidation	
Statutory work associated with appointment and closure	3,000
If appropriate, work associated with dealing with pension scheme(s)	2,250
If appropriate, cost of convening and holding a requisitioned creditors' meeting	2,000
Preliminary review of company records	2,250
Unsecured creditor base charge (up to 25 unsecured creditors)	7,000
Employee base charge (up to 10 employees)	2,750
Creditor committee base charge	2,000
Annual charges payable each year from commencement	
Annual statutory obligations	1,500
Cashiering	2,000
Case monitoring/review	1,500
Statutory reporting	800
Creditor committee annual obligations	500

Unit charges

Preliminary director investigation and reporting	400 per director
Additional unsecured creditors (over and above the 25 included in the base cost)	300 per unsecured creditor
Additional employees (over and above the 10 included in the base cost)	325 per employee
Creditor committee report	2,000 per report
Creditor committee meeting	500 per meeting

Activities associated with a direct financial benefit to creditors

Unsecured creditors (excluding employees)

Claim agreement	200 per creditor
Dividend calculation and payment (charge per distribution)	80 per creditor

Employees and Redundancy Payments Service

Claim agreement	200 per employee
Dividend calculation payment (charge per distribution)	100 per employee

Secured creditors

General provision for communication	600 per secured creditor
Claim agreement (including prescribed part calculation)	2,500 per secured creditor
Dividend calculation and payment (charge per distribution)	250 per secured creditor

Prescribed part payments to unsecured creditors

Claim agreement	200 per creditor participating in the prescribed part payment
Dividend payment (charge per distribution)	100 per creditor participating in the prescribed part payment

Asset recovery

	Headline rate, but all are subject to the minimum charge stated	Minimum charge
Debtors	40% of gross realisations per debtor	£250 per debtor
Property/Leasehold interest	15% of gross realisations per property/lease	£7,500 per property/lease
Plant and machinery	20% of gross realisations	£2,000
Fixtures and fittings	20% of gross realisations	£2,000
Intellectual property/Goodwill	40% of gross realisations per item	£2,000
Directors' loan account	40% of gross realisations per DLA	£2,500 per annum per DLA
Assets not disclosed in the Statement of Affairs	50% of gross realisations	£2,000
Stock	20% of gross realisations	£2,000
Cash at bank	15% of gross realisations	£500 per bank account
Motor vehicles	30% of gross realisations	£1,000 per vehicle
Rent deposits	40% of gross realisations	£2,500 per deposit
Legal actions	50% of gross realisations	£5,000
Tax refunds	30% of gross realisations	£1,500

Category 2 Disbursements

There are two types of disbursements; Category 1 and Category 2 disbursements. Category 1 disbursements are generally external supplies of incidental services that are specifically identifiable to the case against which they are being charged. These include insolvency bonds, swearing fees, redirection of mail, accommodation, subsistence, company searches, hire of external meeting rooms* or any other miscellaneous item which is by nature a Category 1 disbursement paid out in respect of the administration of the liquidation. Creditor approval of Category 1 disbursements is not required.

*Hire of meetings rooms may be required should creditors requisition a physical meeting

Category 2 disbursements are those which, whilst being in the nature of expenses or disbursements, include an element of shared or allocated costs. Approval of the committee, or the creditors if there is no committee, is required before Category 2 disbursements can be drawn. We will seek to recover the following Category 2 disbursements:

1. Storage of company books and records at the insolvency practitioners' storage facility. The books and records will be stored in standard storage boxes and a storage fee of £5 plus VAT per box per month will be charged. This charge covers the transportation of records from the company's premises, storage, retrieval of books and records in storage for administration purposes and the destruction of such books and records after expiration of the statutory retention period.
2. The recharge of travelling by motor vehicle on business for the administration of the insolvency will be charged to the liquidation at 45p per mile.

Other professional fees

It may be necessary for us to instruct other professionals such as specialist agents or subcontractors to assist us with carrying out certain aspects of our role as liquidators. Examples include debt collection agents, quantity surveyors, solicitors, accountants and pensions experts. The fee basis of appointed agents will be agreed by the liquidators by reference to the service being offered and the complexity/risk associated with the assignment. Such costs will be paid as an expense of the liquidation at the liquidators' discretion.

Statutory advertising and insurance (bond) charges

**These charges are set annually by our external suppliers and the following prices relate to 2018 and are shown excluding VAT.*

Advertising	£
Statutory advertising	142
Additional advertising per notice (where applicable)	71
Insurance (bond) charge, dependent on the level of anticipated assets, banded as follows:	
£0 - £500	20
£501 - £10,000	40
£10,001 - £25,000	70
£25,001 - £50,000	184
£50,001 - £100,000	272
£100,001 - £250,000	420
£250,001 - £500,000	640
£500,001 - £1,000,000	840
£1,000,001 - £2,000,000	1,600
£2,000,001 - £3,500,000	1,840
£3,500,001 - £5,000,000	2,100
Over £5,000,000	2,400

Appendix D

Additional information in relation to the Joint Liquidators' fees, expenses and disbursements

Staff allocation and the use of sub-contractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Director, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

On this case we have not utilised the services of any sub-contractors.

Professional advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Service	Provider	Basis of fee arrangement	Cost to date
Pension report	Clumber Consultancy Limited	Fixed Fee	£300.00 plus VAT
Total			£300.00 plus VAT

Joint Liquidators' expenses & disbursements

An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

Expenses paid by Office Holders' firm	Paid in the Period £	Incurred but not paid to date £	Total anticipated cost £
Statutory advertising	142.00	0.00	142.00
Specific penalty bond	70.00	0.00	70.00
Total	212.00	0.00	212.00
Amount recharged to case	212.00	0.00	212.00

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidators' fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.