

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

SATURDAY



A92QCPHN

A11

11/04/2020

#18

COMPANIES HOUSE

1 Company details

Company number 03170142

Company name in full Strobe 2

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

2 Liquidator's name

Full forename(s) Brian

Surname Johnson

3 Liquidator's address

Building name/number Quadrant House

Street 4 Thomas More Square

Post town London

County/Region

Postcode E1W1YW

Country

4 Liquidator's name ①

Full forename(s)

Surname

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

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

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

LIQ14

Notice of final account prior to dissolution in CVL

6 Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

:

7 Final account

☒ I attach a copy of the final account.

8 Sign and date

Liquidator's signature

Signature

X 

X

Signature date

^d 0 ^d 8 ^m 0 ^m 4 ^y 2 ^y 0 ^y 2 ^y 0

STROBE 2 - IN CREDITORS' VOLUNTARY LIQUIDATION

FINAL ACCOUNT

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1. EXECUTIVE SUMMARY

- 1.1 This final account provides a summary and update on the acts and dealings of the Liquidator for the period 14 September 2019 to 12 February 2020 ('the Review Period') and for the entirety of the Liquidation. It should be read in conjunction with previous correspondence to creditors.
- 1.2 A summary of key information in this report is detailed below and statutory information regarding the Company is available at Appendix 1.

Assets

Asset	Estimated to realise per Statement of Affairs (£)	Total realisations (£)
Intercompany debt: Interseed Limited	Nil	Nil
Cash at Bank	-	5,925.20
Bank Interest	-	4.28
Funds held in Solicitor Account	-	102,149.33
Property Rights/ Patents	-	11,800.00
Barclays Refund charges	-	4,446.31
Litigation Funding	-	999,843.09
RBC Refund charges	-	30.50
CanDu Entertainment Limited	-	7,456.43
Lloyds Bank Plc refund charges	-	1,941.18
Total	Nil	1,133,596.32

Expenses and disbursements

Expenses/ Disbursements	Amount per fees and expenses estimates (£)	Total expense (£)
Statement of Affairs fee	N/a	5,237.83
Legal fees	N/a	999,843.09
VAT	N/a	276.65
Storage costs	N/a	50.40
Statutory advertising	N/a	76.50
Bank charges	N/a	1.06
Court fees	N/a	1,825.00
Liquidator's Fees	N/a	122,920.70
Liquidator's Expenses	N/a	846.22
Legal fees 2	N/a	2,415.00
Specific Bond	N/a	103.87
Total	Nil	1,133,596.32

Dividend prospects

Creditor class	Distribution / dividend paid to date
Secured creditor	Not applicable
Preferential creditors	Not applicable
Unsecured creditors	Nil

Closure

- 1.3 There are no further matters in the Liquidation to be progressed and the Liquidation is now being concluded.

2. ADMINISTRATION AND PLANNING

Statutory information

- 2.1 Statutory information may be found at Appendix 1.
- 2.2 The Liquidator is required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found in Appendix 3.
- 2.3 The Liquidator has met his statutory and regulatory duties to report to creditors. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.
- 2.4 In the Review Period, the key document issued was an annual report.

Other administration tasks

- 2.5 During the Review Period, the material tasks carried out in this category was a case review.

3. ENQUIRIES AND INVESTIGATIONS

- 3.1 You may recall from my first progress report to creditors that some of the work the Liquidator is 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 Liquidator can pursue for the benefit of creditors.
- 3.2 My report on the conduct of the Director of the Company to the Department for Business, Energy & Industrial Strategy ("DBEIS") under the CDDA 1986 was submitted during the first year of the Liquidation and is confidential.

4 REALISATION OF ASSETS

- 4.1 Detailed below is information about asset realisations and strategy, however, more details about the work undertaken may be found at Appendix 3. The Liquidator formulated and worked through a realisation strategy that sought to maximise realisations net of costs. The financial benefit of those efforts is described further below.

Cash at bank

- 4.2 The sum of £5,925.20 was received in respect the credit balance in the Company's bank account on appointment.

Bank interest

- 4.3 Bank interest in the sum of £4.28 has been earned during the course of the Liquidation; all of which was earned prior to the Review Period.

Funds held in Solicitor Account

- 4.4 On appointment, the Company had funds totalling £102,149.33 held in an escrow account with a firm of solicitors. These funds were being held to cover any tax liability due from Candu Entertainment Group Limited ("Candu") following a settlement agreement between Candu and the Company. This liability would only arise if a particular tax event occurred.
- 4.5 Following a review of the events and discussions with both parties of solicitors, including those representing Company Time Limited ("CTL") who had acquired the assets of Candu and believed they had claim to the sum, I concluded that this tax event did not occur and that the full sum of £102,149.33 was due to the Company.
- 4.6 The sum of £102,149.33 was received in this regard on 19 April 2018.

Property Rights/Patents

- 4.7 The sum of £1,800.00 was received during the period ended 13 September 2017, from a former landlord to cover costs in dealing with the deed of covenant concerning the transfer of a lease to a new tenant.

Bank Refunds

- 4.8 A refund of £30.50 was received from the Royal Bank of Scotland as they erroneously overcharged the Company when applying cost charges to its loan facilities. This refund represents the difference between the amount charged and the correct fee.
- 4.9 The sum of £4,446.31 was received as a reimbursement from Barclays Bank Plc in relation to an adjustment to syndicated mandatory costs for a historic loan to the Company.

- 4.10 A refund of £1,941.18 was received from Lloyds Bank Plc who had overcharged the Company when applying cost charges to its loan facilities. This refund represents the difference between the amount charged and the correct fee, plus interest at 8%.

Litigation funding

- 4.11 As previously advised, in 2016 I obtained sanction to instigate legal action against a number of the Company's directors and former directors in relation to a variety of claims. I secured after the event insurance and litigation funding totalling £1.5m £1m respectively to issue these proceedings.
- 4.12 Claims were filed under provisions of the Insolvency Act 1986 (IA86) for Wrongful Trading (S214), Fraudulent Trading (S213), Transaction at an Undervalue (S238), Preference Payments (S239) and Transactions Defrauding Creditors (S423).
- 4.13 The directors and former directors filed summary dismissal applications requesting the claims be struck out. The dismissal application was granted at an initial hearing held in June 2018, which also awarded indemnity costs against me as Liquidator.
- 4.14 On the advice of Leading Counsel, a written application for leave to appeal was made to the Court of Appeal on six grounds but permission was only granted on the single ground of wrongful trading pursuant to S214 of IA86.
- 4.15 At the instigation of the all but one of the Defendants, mediation took place on 25 February 2019, in order to try to achieve a negotiated settlement. Unfortunately the mediation was unsuccessful and the appeal was heard on 20 March 2019, before Mrs Justice Andrews in the Court of Appeal. Regrettably Mrs Justice Andrews upheld the decision of Deputy ICC Judge Kyriakides in the first instance Court and so the case was lost. Leading Counsel advised that a further appeal was unlikely to be successful.
- 4.16 A settlement agreement was entered into during the previous reporting period whereby costs and liabilities were agreed paid in full and final settlement.

Candu Entertainment Limited

- 4.17 The sum of £7,456.43 was received from Candu Entertainment Limited on 3 March 2011 in relation to an outstanding debtor balance.

5. CREDITORS

- 5.1 Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Liquidator has had to carry out key tasks which are detailed in the list at Appendix 3. The following sections explain the anticipated outcomes to creditors and any distributions paid.

Secured creditors

- 5.2 There are no secured creditors.

Preferential creditors

- 5.3 There are no preferential creditors.

Unsecured creditors

- 5.5 The trade and expense creditors as per the Statement of Affairs totalled £2,062,866.00.
- 5.6 Unsecured creditor claims totalling £24,994,416.88 were received from 16 creditors. As there are insufficient funds to enable me to make a distribution to creditors, these claims have not been adjudicated on.

6. LIQUIDATOR'S REMUNERATION

Statement of Affairs fee

- 6.1 The creditors authorised the fee of £7,490.33 to be paid from the assets of the Company for assisting the directors in placing the Company into Liquidation and with preparing the Statement of Affairs.
- 6.2 £5,237.83 has been drawn in this regard with the remainder of £2,232.84 remaining outstanding.

Liquidator's fees

- 6.3 It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a manager and/or partner then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a manager or partner.
- 6.4 It was resolved that both Liquidators would be remunerated on a time costs basis at the first meeting of creditors held on 14 September 2009.
- 6.5 In addition, it was resolved, at a meeting of creditors held on 13 December 2013, that my remuneration (as sole liquidator) be based on a Conditional Fee Arrangement subject to an uplift of 100% based on my previous firm's standard hourly rates
- 6.6 My time costs for the Review Period total £2,180.00. This represents 21.70 hours at an average rate of £100.46 per hour. Attached, at Appendix 4, is a Time Analysis in accordance with the provisions of Statement of Insolvency Practice 9 (SIP9), which provides details of the activity costs incurred by staff grade to date. No fees have been drawn during the Period.
- 6.7 My total time costs for the Liquidation total £334,444.20, representing 1,031.65 hours at an average hourly rate of £324.18.
- 6.8 The sum of £122,920.70 has been drawn, none of which were drawn during the Review Period.

6.9 As a reminder, the time costs of Duff & Phelps for the cumulative period from 14 September 2009 to 11 December 2012 totalled £58,768.50. This represents 264.70 hours at an average rate of £222.02 per hour. Attached, as Appendix 7, is a Time Analysis from Duff & Phelps in accordance with the provisions of Statement of Insolvency Practice 9 (SIP9), which provides details of the activity costs incurred by staff grade during the above period. Duff & Phelps have drawn £1,252.76 on account of the time costs and £613.20 in respect of their disbursements.

6.10 The majority of my firm's time spent on this case has been on the following matters:

Accounting and bookkeeping

6.11 Time spent on accounting and bookkeeping refers to the general administration of the Liquidation bank account, together with the completion of corporation tax and VAT returns as required.

Asset realisation

6.12 Time spent in respect of asset realisations relates to all activities carried out to realise the assets of the Company. As you may appreciate, the complex nature of the potential recovery against the Company's directors and professional advisors concerning a number of transactions that occurred prior to my appointment requires a considerable amount of time to administer. Also, given the nature and scale of the claims, the work required experienced members of staff to manage the day to day matters.

Investigations

6.13 As highlighted above, I have complied with my statutory duty to submit a report to DBEIS, as well as completing an investigation into each of the directors' roles and responsibilities. Lengthy investigations were required in this instance, which have potentially uncovered causes of action in favour of the Company.

Reports & Meetings

6.14 The time spent under reports and meetings relate to the completion of my statutory reporting duties, including the completion of annual progress reports to creditors. Owing to the duration of the administration of the Liquidation to date, a considerable amount of time has been spent preparing reports to creditors.

Review

6.15 This includes the general review of the administration of the Liquidation. I have been actively involved in the decision making process of the Liquidation and ensuring the strategy of the Liquidation is followed. In addition to this, my staff and I have been required to review correspondence from professional advisors. I have included further detail regarding the professional advice I have sought in appendix 6.

Disbursements

- 6.16 Detailed at appendix 6 are the expenses incurred for the period and cumulative to 12 February 2020. There is also additional information in relation to our policy on staffing, the use of subcontractors and details of our current charge-out rates by staff grade.
- 6.17 Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors' Guide to Fees' may be found at https://www.r3.org.uk/media/documents/publications/professional/Guide_to_Liquidators_Fees.pdf and the firm's charge-out rate and disbursement policy may be found at <https://www.uhy-uk.com/wp-content/uploads/London-office-charge-out-rates-March-2018.pdf>. A hard copy of both may be obtained on request.

7 CREDITORS' RIGHTS

- 7.1 An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.
- 7.2 An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

8. EU REGULATIONS (WHETHER PROCEEDINGS ARE MAIN PROCEEDINGS OR TERRITORIAL)

- 8.1 The Company's centre of main interest was in Euro House, 1394 High Road, Whetstone, London N20 9YZ, and therefore it is considered that the EU Regulations will apply. These proceedings are main proceedings as defined in Article 3 of the EU Regulation.

9 CONCLUSION

- 9.1 There are no outstanding matters and the affairs of the Company have been fully wound up.
- 9.2 If you require any further information, please contact this office.

A handwritten signature in black ink, appearing to be 'B. Johnson', written over a horizontal line.

Brian Johnson
Liquidator

Appendix 1 - Statutory Information

Company name:	Strobe 2
Former trading name:	Not applicable
Company number:	03170142
Registered office:	Quadrant House, 4 Thomas More Square, London E1W 1YW
Former registered office:	43-45 Portman Square, London W1H 6LY
Officeholder:	Brian Johnson
Officeholder's address:	Quadrant House, 4 Thomas More Square, London E1W 1YW
Date of appointment:	14 September 2009
Changes to officeholder:	Paul David Williams was removed as Joint Liquidator following a Court Order on 11 December 2012

Appendix 2 - Receipts and payments accounts for the period 14 September 2019 to 12 February 2020 and the cumulative to 12 February 2020.

**Strobe 2 - In Creditors Voluntary Liquidation
Liquidator's Abstract of Receipts & Payments**

From 14 September 2019 to 12 February 2020

S of A £	As Previously Reported	14/09/19 to 12/02/20	Total £
RECEIPTS			
NIL Cash at Bank	5,925.20	NIL	5,925.20
NIL Bank Interest Gross	4.28	NIL	4.28
NIL Funds held in Solicitor Account	102,149.33	NIL	102,149.33
NIL Property Rights/Patents	11,800.00	NIL	11,800.00
NIL Barclays Refund charges	4,446.31	NIL	4,446.31
NIL Litigation Funding	999,843.09	NIL	999,843.09
NIL RBS Refund charges	30.50	NIL	30.50
NIL CanDu Entertainment Limited	7,456.43	NIL	7,456.43
NIL Lloyds Bank Plc refund charges	1,941.18	NIL	1,941.18
NIL	1,133,596.32	NIL	1,133,596.32
PAYMENTS			
NIL Statement of Affairs Fee	(5,237.83)	NIL	(5,237.83)
NIL Legal Fees	(999,843.09)	NIL	(999,843.09)
NIL VAT	(276.65)	NIL	(276.65)
NIL Storage Costs	(50.40)	NIL	(50.40)
NIL Statutory Advertising	(76.50)	NIL	(76.50)
NIL Bank Charges	(1.06)	NIL	(1.06)
NIL Court Fees	(1,825.00)	NIL	(1,825.00)
NIL Liquidators Fees	(122,920.70)	NIL	(122,920.70)
NIL Liquidators Expenses	(846.22)	NIL	(846.22)
NIL Legal fees (2)	(2,415.00)	NIL	(2,415.00)
NIL Specific Bond	(103.87)	NIL	(103.87)
0	(1,133,596.32)	NIL	(1,133,596.32)
0 CASH IN HAND	NIL	NIL	NIL

**Strobe 2 - In Creditors Voluntary Liquidation
Liquidator's Abstract of Receipts & Payments**

From 14 September 2009 to 12 February 2020

S of A £	As Previously Reported	14/09/09 to 12/02/20	Total £
RECEIPTS			
NIL Cash at Bank	NIL	5,925.20	5,925.20
NIL Bank Interest Gross	NIL	4.28	4.28
NIL Funds held in Solicitor Account	NIL	102,149.33	102,149.33
NIL Property Rights/Patents	NIL	11,800.00	11,800.00
NIL Barclays Refund charges	NIL	4,446.31	4,446.31
NIL Litigation Funding	NIL	999,843.09	999,843.09
NIL RBS Refund charges	NIL	30.50	30.50
NIL CanDu Entertainment Limited	NIL	7,456.43	7,456.43
NIL Lloyds Bank Plc refund charges	NIL	1,941.18	1,941.18
<u>NIL</u>	<u>NIL</u>	<u>1,133,596.32</u>	<u>1,133,596.32</u>
PAYMENTS			
NIL Statement of Affairs Fee	NIL	(5,237.83)	(5,237.83)
NIL Legal Fees	NIL	(999,843.09)	(999,843.09)
NIL VAT	NIL	(276.65)	(276.65)
NIL Storage Costs	NIL	(50.40)	(50.40)
NIL Statutory Advertising	NIL	(76.50)	(76.50)
NIL Bank Charges	NIL	(1.06)	(1.06)
NIL Court Fees	NIL	(1,825.00)	(1,825.00)
NIL Liquidators Fees	NIL	(122,920.70)	(122,920.70)
NIL Liquidators Expenses	NIL	(846.22)	(846.22)
NIL Legal fees (2)	NIL	(2,415.00)	(2,415.00)
NIL Specific Bond	NIL	(103.87)	(103.87)
<u>0</u>	<u>NIL</u>	<u>(1,133,596.32)</u>	<u>(1,133,596.32)</u>
<u>0</u> CASH IN HAND	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>

Appendix 3 - Detailed list of work undertaken in the period

Below is detailed information about the tasks undertaken by the Liquidator during the Review Period.

General description	Includes
Statutory and general administration	
Statutory/advertising	Filing of documents to meet statutory requirements including annual receipts and payments accounts VAT returns Bonding the case for the value of the assets
Document maintenance/file review/checklist	Filing of documents Periodic file reviews documenting strategy Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence closing accounts Requesting bank statements Bank account reconciliations Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members to consider practical, technical and legal aspects of the case
Closure tasks	Review case to ensure all matters have been finalised Draft final report Circulating final report to creditors Obtain clearance to close case from HMRC together with submitting final tax return
Creditors and distributions	
Creditor Communication	Review and prepare correspondence to creditors and their representatives via facsimile, email and post

Detailed list of work undertaken in the Liquidation as a whole

General Description	Includes
Statutory and General Administration	
Statutory/advertising	Filing of documents to meet statutory requirements including annual receipts and payments accounts Annual corporation tax returns Quarterly VAT returns Advertising in accordance with statutory requirements Bonding the case for the value of the assets
Document maintenance/file review/checklist	Filing of documents Periodic file reviews documenting strategy Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening account Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Pension scheme	Identifying whether there is a pension scheme
Reports	Circulating initial report to creditors upon appointment, circulating annual reports and convening annual meetings.
Investigations	
SIP 2 Review	Collection and making an inventory of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions
Statutory reporting on conduct of directors	Preparing statutory investigation reports Liaising with Insolvency Service Submission of report with the Insolvency Service

General Description	Includes
	Assisting the Insolvency Service with its investigations
Examinations	Preparing brief to solicitor Liaising with solicitors regarding examinations Attendance at examination Reviewing examination transcripts Liaising with solicitors regarding outcome of examinations and further actions available
Litigation / Recoveries	Strategy meeting regarding litigation Preparing brief to solicitors Liaising with solicitors regarding recovery actions
Realisation of assets	
Cash at bank	Liaising with the bank to realise the credit balance Liaising with banks regarding the refunds due
Intercompany debtors	Verifying the various intercompany positions
Creditors and Distributions	
Creditor Communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post
Dealing with proofs of debt	Receipting and filing POD when not related to a dividend
Processing proofs of debt	Preparation of correspondence to potential creditors inviting submission of POD Receipt of POD

Appendix 4 - Time cost information for 14 September 2019 to 12 February 2020

STROBE 2 - IN CREDITORS' VOLUNTARY LIQUIDATION
Summary of Liquidator's time costs for the period 14 September 2019 - 12 February 2020

Classification of work function	Partner Hours	£	Director Hours	£	Manager Hours	£	Asst Manager Hours	£	Sr Adminstrator Hours	£	Administrator Hours	£	Junior Administrator Hours	£	Total Hours	Total Cost £	Avg Hourly Rate £
Administration & Planning																	
Administrative Setup	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Appointment Notification	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case Planning	0.00	0.00	0.00	0.00	0.20	51.00	0.90	207.00	0.00	0.00	0.00	0.00	1.10	77.00	2.20	335.00	152.27
Maintenance of Records	0.00	0.00	0.00	0.00	0.00	0.00	0.30	69.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	69.00	230.00
Statutory Reporting	0.00	0.00	0.00	0.00	0.00	0.00	2.70	621.00	0.00	0.00	0.00	0.00	21.60	1,512.00	24.30	2,133.00	87.76
TOTAL HOURS	0.00	£0.00	0.00	£0.00	0.20	£51.00	3.90	£287.00	0.00	£0.00	0.00	£0.00	22.70	£1,599.00	26.90	£2,537.00	94.66
TOTAL TIME CHARGED IO		£0.00		£0.00		£51.00		£287.00		£0.00		£0.00		£1,599.00			
Average hourly cost IO		0.00		0.00		255.00		220.00		0.00		0.00		70.00			

All figures are shown net of VAT

Appendix 5 – Time costs summary for 14 September 2009 to 12 February 2020

Classification of work function	Partner Hours	Director Hours	Manager Hours	Asst Manager Hours	Snr Administrator Hours	Administrator Hours	Junior Administrator Hours	Total Hours	Total Cost £	Avg Hourly Rate £
Administration & Planning										
Administrative Set-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Appointment Notification	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case Planning	0.00	0.00	0.20	207.00	0.00	0.00	1.10	2.20	335.00	152.27
Maintenance of Records	0.00	0.00	0.00	69.00	0.00	0.00	0.00	0.30	69.00	230.00
Statutory Reporting	0.00	0.30	0.00	2.70	0.00	0.00	16.50	19.20	1,776.00	92.50
Realisation of Assets										
Debt Collection	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Identifying, Securing, Insuring Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Property, business and asset sales	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Retention of Title	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors										
Communication with Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors' Claims	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading										
Management of Operations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounting for Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
On-going Employee Issues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations										
SIT 2 Review	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Antecedent Transactions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CDDA Reports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case-Specific Matters	30.70	14,281.67	0.00	0.00	0.00	0.00	0.00	30.70	14,281.67	0.00
TOTAL HOURS	30.70	0.00	0.20	3.90	0.00	0.00	17.60	52.40		
TOTAL TIME CHARGED TO		£0.00	£53.00	£897.00	£0.00	£0.00	£1,332.00		£16,463.67	
Average hourly cost (£)		0.00	255.00	230.00	0.00	0.00	70.00			314.15

All figures are shown net of VAT

Stroke 2 - In Liquidation

Joint Liquidators' Time Costs for the period 14 September 2009 to 28 May 2019

Service	Partner / Senior Consultant	PartnerCost	Manager / Principal	ManagerCost	Administrator	AdministratorCost	Support Staff	SupportStaffCost	Total Hours	Total Cost
Acc/bookkeeping	0.91	425.55	29.90	8,473.50	18.58	4,090.85	75.99	10,078.60	125.38	23,068.50
Asset Realisation - Fixed Charge	-	-	3.00	859.50	-	-	0.10	16.00	3.10	875.50
Asset Realisation - Floating Charge	4.50	2,047.50	3.90	1,111.50	-	-	-	-	8.40	3,159.00
Asset realisation - non-charged assets	349.39	165,842.95	125.68	37,419.30	24.00	5,209.75	1.00	160.00	500.07	208,632.00
Case Admin	0.86	336.70	7.90	2,231.38	6.10	1,077.00	25.05	2,111.40	39.91	5,756.48
Creditors Committees	0.14	60.90	-	-	-	-	-	-	0.14	60.90
Dividends	-	-	-	-	-	-	-	-	-	-
Employees	0.41	194.75	-	-	-	-	-	-	0.41	194.75
Fees etc	-	-	-	-	-	-	-	-	-	-
General Advice	0.15	72.75	-	-	-	-	27.12	13,081.40	27.27	13,154.15
Investigations	10.60	4,158.80	21.75	5,688.25	103.18	22,520.20	13.98	1,312.00	149.51	33,679.25
Landlord/Creditor Correspondence	1.81	829.65	3.45	1,054.25	6.15	1,171.75	2.02	219.00	13.43	3,274.65
On-going support	-	-	-	-	-	-	-	-	-	-
Pre-Appointment Time	-	-	-	-	-	-	-	-	-	-
Process Implementation	-	-	-	-	-	-	-	-	-	-
Profit Implementation	-	-	-	-	-	-	-	-	-	-
Proof/claims - Unsecured	-	-	-	-	-	-	0.85	107.50	0.85	107.50
Proofs/Claims - Preferential	-	-	-	-	-	-	-	-	-	-
Reports & Meetings	10.98	4,569.30	17.45	4,917.25	22.11	4,149.55	17.72	1,761.65	68.26	15,397.75
Review	11.96	5,370.80	8.10	2,211.50	7.92	1,424.35	15.18	1,615.35	43.16	10,622.00
Strategic Implementation	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-
Working Capital Implementation	-	-	-	-	-	-	-	-	-	-
Total Time	391.71	183,909.65	221.13	63,966.43	188.04	39,643.45	179.01	30,462.90	979.89	-
Total Cost (£)	183,909.65	183,909.65	63,966.43	63,966.43	39,643.45	39,643.45	30,462.90	30,462.90	-	317,982.43
Average rate per hour (£)	469.50	1.00	289.27	1.00	210.82	1.00	170.17	170.17	-	324.51

Appendix 6 – Expenses and disbursements summary

Expenses and category 1 disbursements	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £
Expenses and category 1 disbursements		
Court fees	-	1,825.00
Legal fees 2	-	2,415.00
Legal fees	-	999,843.09
Advertising	80.20	156.70
Bank charges	-	1.06
Bonding	-	103.87
Storage	-	50.40
Creditor Gateway	10.00	10.00
Total	90.20	1,004,405.12
Category 2 disbursements		
Photocopying		96.15
Postage		65.54
Total		161.69

1. ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES

2. PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9 (SIP9)

1 Policy

Detailed below is Fisher Partners' policy in relation to:

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

1.1 *Staff allocation and the use of subcontractors*

Our 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 Partner, 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. The charge out rate schedule below provides details of all grades of staff and their experience level.

We have not utilised the services of any subcontractors in this case.

1.2 *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.

Name of Professional Advisor	Basis of Fee Arrangement
Charles Russell Speechlys LLP	Initially funded by creditors / time costs from 22 December 2015
Forum Chambers	Time Costs

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

1.3 Disbursements

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.

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred by Fisher Partners for the provision of services which include an element of recharged overhead, for example, room hire or document storage. On this case the following Category 2 disbursements have been incurred since my appointment:

Type and purpose	£
Photocopying	96.15
Postage	65.54

2. Charge-out rates

In accordance with the provisions of the Statement of Insolvency Practice 9 ("SIP9"), the firms' charge out rates applicable to this appointment, exclusive of VAT, are as follows:

From 1 February 2018

Per hour

Partner / Senior Consultant	£485
Principal	£330
Senior Manager	£295
Manager / Assistant Manager	£250-£260
Senior Administrator	£205
Junior Administrator	£150
Support Staff	£90-£150

Charge out rates are normally reviewed annually on 1 January, when rates are adjusted to reflect such matters as inflation; increase in direct wage costs; and changes to indirect costs such as Professional Indemnity Insurance. It is the firm's policy for the cashier's time spent on an assignment to be charged to the case. However, secretarial and office admin support time is charged only in respect of identifiable blocks of time devoted to the case where we consider it to be viable to do so. Please note that this firm records its time per minute.

As advised, with effect from 29 May 2019, I moved to UHY Hacker Young LLP and details of this firm's charge out rates are enclosed.

Turnaround and recovery rates

Rates effective from 1 March 2019 and historic rates

Grade	Rate £/ per hour 2019	Rate £/ per hour 2017	Rate £/ per hour 2016	Rate £/ per hour 2015
Partners	£450 - £750	£340 - £750	£340 - £750	£340 - £750
Directors	£325 - £725	£275 - £400	£275 - £400	£275 - £400
Senior Managers	£300 - £400	£255 - £320	£255 - £320	£255 - £320
Managers	£280 - £350	£175 - £300	£175 - £300	£175 - £300
Assistant managers	£200 - £300	£165 - £250	£165 - £250	£165 - £250
Senior Administrators	£150 - £250	£135 - £250	£135 - £250	£135 - £250
Administrators	£80 - £180	£80 - £150	£80 - £150	£80 - £150
Junior Administrators	£70 - £120	£70 - £85	£70 - £85	£70 - £85

Company 2 disbursements

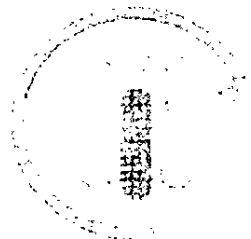
	Effective from 06.12.17	Previously
Internal storage of Insolvency Practitioner's working papers	£5 per annum for ten years (£50)	£5 per annum for ten years (£50)
Internal meeting room cost	£65 per meeting	£65 per hour
Mileage (own car usage)	45p per mile	45p per mile

VAT will be charged on the above disbursements where applicable.

Time charging policy

Support staff do not charge their time to each case. Support staff include cashier, secretarial and administration support.

Please be advised that the minimum unit of time recorded is 6 minutes.



Appendix 7 - Duff & Phelps' Time Analysis for the period 14 September 2009 to 11 December 2012

Stroke 2 (In Creditors' Voluntary Liquidation)

Analysis of time costs for the period 14 September 2009 to 11 December 2012

Classification of Work Function	Partner	Manager	Hours Senior	Assistant	Support	Total Hours	Time Cost	Avg Hourly Rate
Creditors' Voluntary Liquidation:								
Administration and Planning								
Catering & accounting	0.70	1.70	6.30	6.90	0.00	15.60	3,669.50	235.22
General admin	0.00	1.10	2.70	33.00	0.00	36.80	4,807.50	130.64
General correspondence	1.30	1.30	23.40	13.70	0.00	40.70	9,377.50	229.99
PS setup & maintenance	0.00	0.10	0.00	0.60	0.00	0.70	91.00	130.00
Meetings	0.00	0.10	3.00	0.70	0.00	3.80	533.50	140.39
Statutory matters (Meetings & Reports & Notices)	3.70	7.40	23.80	15.70	0.00	50.60	14,146.50	279.57
Strategy planning & control	2.10	2.60	20.50	29.50	0.00	54.70	11,514.50	210.51
Case Specific Matters								
Closings	0.00	0.30	0.10	0.00	0.00	0.70	223.00	318.57
Creditors								
Unsecured creditors	0.10	0.60	0.50	8.80	0.00	10.00	1,218.00	121.80
Investigations								
CODA & reports & communication	0.80	0.10	7.40	5.70	0.00	14.00	2,925.50	208.96
Financial review and investigations (\$23&239 etc)	0.00	0.10	1.50	3.20	0.00	4.80	746.50	155.52
Realisation of Assets								
Book debts	0.00	0.40	0.50	0.10	0.00	1.00	196.00	196.00
Fixed charge assets	0.10	0.00	3.80	0.00	0.00	3.90	310.00	79.51
Floating charge assets	0.50	0.50	21.70	0.90	0.00	23.60	6,760.50	286.88
Closings:								
Case Specific Matters								
General Administration	0.00	0.10	1.70	0.00	0.00	1.80	530.00	294.44
Reviewing	0.00	0.00	3.00	0.00	0.00	3.00	870.00	290.00
Statutory matters	0.10	0.00	0.00	0.00	0.00	0.10	54.50	545.00
Treasury matters	0.00	0.00	0.00	0.00	0.00	0.00	40.50	215.00
Total Hours:	9.40	16.70	121.90	116.70	0.00	264.70		222.02
Total Fees Claimed:	4,569.50	6,497.00	33,337.00	14,365.00	0.00		58,768.50	
Analysis of Category 1 Disbursements:								
Stationery Advertising	2							
Solicitors	529.00							
Barristers	66.00							
Counsel Costs	13.00							
Travel Costs	10.00							
Legal Fees	5.00							
Comptrols House & Searches	3.00							
Total:	626.20							

Analysis of Category 2 Disbursements:

There are no Category 2 disbursements.