

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

04274641

Name of Company

Sequence Films (2012) Limited Formerly Handmade Films International Limited

~~I~~/ We

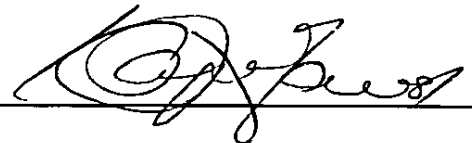
John Kelmanson
Brook Point
1412-1420 High Road
London
N20 9BH

Karyn Jones
Brook Point
1412-1420 High Road
London
N20 9BH

the liquidator(s) of the company attach a copy of ~~my~~ our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 06/08/2012 to 05/08/2013

Signed



Date

28 Aug 2013

Kelmanson Insolvency Solutions
Brook Point
1412-1420 High Road
London
N20 9BH

Ref S404L/JSK/KJ/JC/KC

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COMPANIES HOUSE

**Joint Liquidators'
Annual Progress Report
to Creditors & Members**

Sequence Films (2012) Limited

(In Liquidation)

27 August 2013

CONTENTS

- 1 Introduction and Statutory Information
- 2 Realisation of Assets
- 3 Investigations
- 4 Creditors
- 5 Joint Liquidators' Remuneration
- 6 Joint Liquidators' Expenses
- 7 Creditors' Rights
- 8 Next Report

APPENDICES

- A Receipts and Payments Account from 6 August 2012 to 5 August 2013
- B Time Analysis for the period from 6 August 2012 to 5 August 2013
- C Additional Information in relation to Joint Liquidators' fees pursuant to Statement of Insolvency Practice No 9

1 Introduction and Statutory Information

1 1 We, Karyn Jones and John Kelmanson of KCBS LLP t/a Kelmanson Insolvency Solutions, Brook Point, 1412-1420 High Road, London, N20 9BH, were appointed Joint Liquidators of Sequence Films (2012) Limited formerly Handmade Films International Limited (the Company) on 6 August 2012. This report provides an update on the progress in the liquidation for the year ended 5 August 2013.

1 2 The principal trading address of the Company was 1 Westfield Circus, Canary Wharf, London, E14 4HD.

1 3 The registered office of the Company has been changed to Brook Point, 1412-1420 High Road, London, N20 9BH and its registered number is 04274641.

2 Realisation of Assets

2 1 Attached at Appendix A is a Receipts and Payments Account for the period from 6 August 2012 to 5 August 2013.

Cash at Bank

2 2 This represents the sums held in the Company bank account as at the date of liquidation.

Royalties & Film Libraries

2 3 We employed one of the directors to realise these assets due to his expertise and knowledge in the area. It appears unlikely that any realisations will be made in this regard however discussions and negotiations are still ongoing.

3 Investigations

3 1 In accordance with the Company Directors Disqualification Act 1986 a report has been submitted on the conduct of the Directors of the Company to the Department for Business Innovation & Skills (BIS). As this is a confidential report, it is not possible to disclose the contents.

3 2 Shortly after appointment, an initial assessment was made as to whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire. Investigations have not revealed any issues requiring further report.

4 Creditors

Secured Creditors

4.1 There are no secured creditors

Preferential Creditors

4.2 There are no preferential claims

Unsecured Creditors

4.3 Claims totalling £1,628,648.60 have been received from seven creditors. Claims are yet to be received from 71 creditors, whose debts total £1,841,110.40 as per the directors' statement of affairs.

5 Joint Liquidators' Remuneration

5.1 The Creditors approved that the basis of the Joint Liquidators' remuneration be fixed by reference to the time properly spent by them and their staff in managing the Liquidation.

5.2 Time costs for the period from 6 August 2012 are £14,773.50. This represents 58.2 hours at an average rate of £253.84 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent managing the Liquidation. To date, disbursements of £81.00 have been drawn on account. No time costs have been drawn to date.

5.3 Attached as Appendix C is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade.

5.4 Since 6 August 2012 the following Category 2 disbursements have been taken:

- *Hall for Meeting*

6 Joint Liquidators' Expenses

6.1 The following expenses have been incurred since appointment:

Supplier (Name of Payee)	Service or Expense Received	Amount Incurred to date £	Amount Paid £	Amount Outstanding £
Lockton	Insurance Bordereau	50	50	Nil
The Creditor Gateway	Report Upload	6	6	Nil
KCBS LLP	Hall for Meeting	75	75	Nil
Thorpes	Statutory Advertising	195	195	Nil

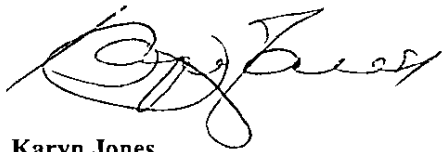
7 Creditors' rights

- 7.1 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 Joint Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report
- 7.2 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 Joint 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

8 Next Report

- 8.1 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 the final progress report ahead of convening the final meeting of creditors

Yours faithfully



Karyn Jones
Joint Liquidator

Sequence Films (2012) Limited Formerly Handmade Films International Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
To 05/08/2013

S of A £		£	£
	ASSET REALISATIONS		
NIL	Fixtures & Fittings	NIL	
4,054 00	Cash at Bank	2,636 56	
Uncertain	Royalties	NIL	
Uncertain	Film Libraries	NIL	
	Bank Interest Gross	7 15	
			2,643 71
	COST OF REALISATIONS		
	Insurance Bordereau	50 00	
	Preparation of S of A	8,000 00	
	Liquidators Expenses	6 00	
	Hall For Meeting	75 00	
	Statutory Advertising	195 00	
			(8,326 00)
	UNSECURED CREDITORS		
(1,893,412 00)	Trade & Expense Creditors	NIL	
(61,600 00)	HM Revenue & Customs (PAYE/NI)	NIL	
(14,747 00)	HM Revenue & Customs (Corporation	NIL	
(1,500,000 00)	Parent Company	NIL	
			NIL
	DISTRIBUTIONS		
(1,000 00)	Ordinary Shareholders	NIL	
			NIL
(3,466,705 00)			(5,682 29)
	REPRESENTED BY		
	VAT Receivable		55 20
	Bank 1 - Current		1,762 51
	Office Holders Account		(7,500 00)
			(5,682 29)

Sequence Films (2012) Limited (In Liquidation)

Time Analysis for the period 6 August 2012 to 5 August 2013

Classification of work function	H o u r s				Time Costs £	Average Hourly Rate £
	Partner	Manager	Administrator	Total Hours		
Creditor Meetings / Reports	0 00	0 00	0 00	0 00	0 00	0 00
Accounting / Cashiering	1 20	0 60	7 20	9 00	1,509 00	167 67
Creditors / Claims / Employees	0 00	4 70	6 30	11 00	2,084 50	189 50
Investigations	1 05	16 10	0 00	17 15	4,884 25	284 80
Asset Realisations	0 75	7 90	0 00	8 65	2,498 75	288 87
General Case Administration	2 70	9 40	0 30	12 40	3,797 00	306 21
Total Hours	5 70	38 70	13 80	58 20	14,773 50	253 84

Case Overview

This overview is intended to allow the body responsible for the approval of the office-holder's fees to view the quantum of those fees in the context of the case in question

Complexity of the Case

I advise that no extraordinary issues have arisen in this matter which have caused any delay or complication to the conduct of the Liquidation

Exceptional Responsibilities

I advise that there have been no exceptional responsibilities that have arisen in this matter

Effectiveness of The Office-Holder(s)

I believe that our objectives in this matter have been met, to the extent that all known assets have been or are in the process of being realised, and all investigations conducted in the appropriate manner

ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES

PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9 (SIP9)

1 Policy

Detailed below is KCBS LLP t/a Kelmanson Insolvency Solutions' 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, Manager, Administrator and/or an Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

We are not proposing to utilise the services of any sub-contractors 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
Lockton (Insurance Bordereau)	One off payment for a three year period dependent on anticipated level of asset realisations

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 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.

On this case the following Category 2 disbursements have been incurred since appointment:

Type and purpose	£
Hall for Meeting	75

2 Charge-out rates

A schedule of KCBS LLP t/a Kelmanson Insolvency Solutions' charge-out rates for this assignment effective from 1 July 2012 is detailed below:

	£
Partner	350 – 450
Manager	250 – 300
Senior Administrator	200 – 250
Administrator	100 – 150
Junior / Support	75 – 125

Please note that this firm records its time in minimum units of 6 minutes.