

## Section 106

Return of Final Meeting in a  
Creditors' Voluntary Winding UpPursuant to Section 106 of the  
Insolvency Act 1986

To the Registrar of Companies

**S.106**

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

Note The copy account must be  
authenticated by the written  
signature(s) of the Liquidator(s)

1 give notice that a general meeting of the company was duly ~~held on~~ summoned for 28 January 2014 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been disposed of, ~~and that the same was done accordingly~~ / no quorum was present at the meeting.

2 give notice that a meeting of the creditors of the company was duly ~~held on~~ summoned for 28 January 2014 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up the company has been conducted and the property of the company has been disposed of and that the same was done accordingly/no quorum was present at the meeting

The meeting was held at Brook Point, 1412-1420 High Road, London N20 9BH

The winding up covers the period from 6 August 2012 (opening of winding up) to the final meeting (close of winding up)

The outcome of any meeting (including any resolutions passed) was as follows



Signed \_\_\_\_\_ Date 28 January 2014

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

Ref S404L/JSK/KJ/JC/KC

TUESDAY



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COMPANIES HOUSE

# **Joint Liquidators' Final Report to Creditors and Members**

**Sequence Films (2012) Limited  
formerly Handmade Films  
International Limited**

**(In Liquidation)**

**28 January 2014**

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- 2 Progress of the Liquidation
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## **APPENDICES**

- A Receipts and Payments Account from 6 August 2013 to 28 January 2014
- B Cumulative Receipts and Payments Account for Period from 6 August 2012 to 28 January 2014
- C Time Analysis for the period 6 August 2013 to 28 January 2014
- D Cumulative Time Analysis for the Period from 6 August 2012 to 28 January 2014
- E Additional Information in relation to Joint Liquidators' fees pursuant to Statement of Insolvency Practice No 9 (SIP9)

## **1 Introduction**

- 1 1 We, John Kelmanson & Karyn Jones of KCBS LLP t/a Kelmanson Insolvency Solutions, Brook Point, 1412-1420 High Road, London, N20 9BH, were appointed as Joint Liquidators of Sequence Films (2012) Limited (the Company) on 6 August 2012. This report provides a summary of the outcome of the liquidation of the Company which has now been completed.
- 1 2 The trading address of the Company was 1 Westfield Circus, Canary Wharf, London, E14 4HD. The business traded under the name Handmade Films International Limited.
- 1 3 The registered office of the Company was changed to Brook Point, 1412-1420 High Road, London, N20 9BH and its registered number is 04274641.
- 1 4 The liquidation commenced in August 2012 with estimated asset values of £4,054 and anticipated liabilities of £3,469,759, which subject to the cost of liquidation did not expect a return to creditors. There was no actual return to creditors.

## **2 Progress of the Liquidation**

- 2 1 Since my last report to creditors the director has advised me he has encountered numerous problems trying to collect any royalties due to the Company. In many cases, the intellectual properties were the creation of the parent Company, Handmade Limited (In Liquidation). In addition, it was established that almost all debtors had licensed not just one property, but many, and this has resulted in them claiming set off against any debts due and applying cross collateralisation. Substantial legal costs would be required to pursue royalties, however given the likelihood of a realisation in this regard, together with the Liquidation estate being impecunious, no further action will be taken.
- 2 2 At Appendix A, I have provided an account of Receipts and Payments for the period ended 28 January 2014 with a comparison to the Directors' Statement of Affairs values, together with a cumulative account since appointment at Appendix B, which provides details of the remuneration charged and expenses incurred and paid by the Joint Liquidators during the period of this report.

Further information on the Joint Liquidators' remuneration can be found in section five below.

### **3 Investigations**

3 1 In accordance with the Company Directors Disqualification Act 1986 I would confirm a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills has been submitted. As this is a confidential report, I am not able to disclose the contents.

3 2 Shortly after appointment, I made an initial assessment of 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. My investigations have not revealed any issues requiring further report.

### **4 Outcome for Creditors**

#### *Secured Creditors*

4 1 There are no secured creditors in the Liquidation.

#### *Preferential Creditors*

4 2 There are no preferential creditors in the Liquidation.

#### *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.

4 4 It can be confirmed that the realisations are insufficient to declare a dividend to the unsecured creditors.

### **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 The time costs for the period from 6 August 2013 are £2,046 00 This represents 11 hours at an average rate of £186 per hour Attached as Appendix C 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 in managing the Liquidation

5 3 Also attached as Appendix D is a cumulative Time Analysis for the period from 5 August 2012 to 28 January 2014 which provides details of total time costs since the date of appointment

I can advise that a fee has not been drawn against my outstanding time costs

A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from [www.icaew.co.uk/insolvency](http://www.icaew.co.uk/insolvency)

5 4 Attached as Appendix E 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

## 6 Liquidators' Expenses

The following expenses have been incurred since my last report to creditors

Supplier	Description of Expense	Amount Incurred	Amount Paid	Amount Outstanding
The Creditor Gateway	Report Upload	6	6	Nil
Thorpes	Statutory Advertising	77 50	77 50	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 Conclusion**

- 8 1 This report together with final meetings of members and creditors will conclude the administration Details of the final meetings and resolutions to be considered have been circulated with this report

Yours faithfully



**John Kelmanson**  
**Joint Liquidator**



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**Sequence Films (2012) Limited Formerly Handmade Films International Limited  
(In Liquidation)  
Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs		From 06/08/2013 To 28/01/2014	From 06/08/2012 To 28/01/2014
	<b>ASSET REALISATIONS</b>		
NIL	Fixtures & Fittings	NIL	NIL
4,054 00	Cash at Bank	NIL	2,636 56
Uncertain	Royalties	NIL	NIL
Uncertain	Film Libraries	NIL	NIL
	Bank Interest Gross	0 29	7 44
		<u>0 29</u>	<u>2,644 00</u>
	<b>COST OF REALISATIONS</b>		
	Insurance Bordereau	NIL	50 00
	Preparation of S of A	NIL	8,000 00
	Liquidators Expenses	7 00	13 00
	Hall For Meeting	NIL	75 00
	Statutory Advertising	77 50	272 50
		<u>(84 50)</u>	<u>(8,410 50)</u>
	<b>UNSECURED CREDITORS</b>		
(1,893,412 00)	Trade & Expense Creditors	NIL	NIL
(61,600 00)	HM Revenue & Customs (PAYE/NI)	NIL	NIL
(14,747 00)	HM Revenue & Customs (Corporation	NIL	NIL
(1,500,000 00)	Parent Company	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>DISTRIBUTIONS</b>		
(1,000 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<b>(3,466,705.00)</b>		<u><u>(84.21)</u></u>	<u><u>(5,766.50)</u></u>
	<b>REPRESENTED BY</b>		
	Vat Control Account		72 10
	Office Holders Account		(5,838 60)
			<u>(5,766.50)</u>



John Kelmanson  
Joint Liquidator



**Sequence Films (2012) Limited Formerly Handmade Films International Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**  
**From 6 August 2012 To 28 January 2014**

S of A £		£	£
	<b>ASSET REALISATIONS</b>		
NIL	Fixtures & Fittings	NIL	
4,054 00	Cash at Bank	2,636 56	
Uncertain	Royalties	NIL	
Uncertain	Film Libraries	NIL	
	Bank Interest Gross	7 44	
			2,644 00
	<b>COST OF REALISATIONS</b>		
	Insurance Bordereau	50 00	
	Preparation of S of A	8,000 00	
	Liquidators Expenses	13 00	
	Hall For Meeting	75 00	
	Statutory Advertising	272 50	
			(8,410 50)
	<b>UNSECURED CREDITORS</b>		
(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
	<b>DISTRIBUTIONS</b>		
(1,000 00)	Ordinary Shareholders	NIL	
			NIL
<b>(3,466,705.00)</b>			<b>(5,766.50)</b>

**REPRESENTED BY**

Vat Control Account  
Office Holders Account

72 10  
(5,838 60)

**(5,766.50)**



John Kelmanson  
Joint Liquidator

**Sequence Films (2012) Limited (In Liquidation)**

**Appendix C**

**Time Analysis for the period 6 August 2013 to 28 January 2014**

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	3 20	3 20	480 00	150 00
Accounting / Cashiering	0 00	0 40	2 20	2 60	422 00	162 31
Creditors / Claims / Employees	0 00	0 80	1 40	2 20	434 00	197 27
Investigations	0 00	0 00	0 00	0 00	0 00	0 00
Asset Realisations	0 00	0 20	0 00	0 20	56 00	280 00
General Case Administration	0 00	1 80	1 00	2 80	654 00	233 57
<b>Total Hours</b>	<b>0 00</b>	<b>3 20</b>	<b>7 80</b>	<b>11 00</b>	<b>2,046 00</b>	<b>186 00</b>

**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

**Sequence Films (2012) Limited (In Liquidation)**

Appendix D

**Time Analysis for the period 6 August 2012 to 28 January 2014**

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	3 20	3 20	480 00	0 00
Accounting / Cashiering	1 20	1 00	9 40	11 60	1,931 00	166 47
Creditors / Claims / Employees	0 00	5 50	7 70	13 20	2,518 50	190 80
Investigations	1 05	16 10	0 00	17 15	4,884 25	284 80
Asset Realisations	0 75	8 10	0 00	8 85	2,554 75	288 67
General Case Administration	2 95	11 20	1 30	15 45	4,559 75	295 13
Total Hours	5 95	41 90	21 60	69 45	16,928 25	243 75

**Case Overview**

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**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)

### 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

#### *Staff allocation and the use of subcontractors*

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 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 sub-contractors in this case.

#### *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.

#### *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.

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

Type and purpose	£
Hall for Meeting	75

### 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