

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



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A03

19/02/2020

#198

COMPANIES HOUSE

1 Company details

Company number 0 5 0 6 8 6 3 7

Company name in full Musicspace (UK) Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Andy

Surname John

3 Liquidator's address

Building name/number Leonard Curtis

Street 5th Floor

Grove House

Post town 248a Marylebone Road

County/Region London

Postcode N W 1 6 B B

Country

4 Liquidator's name ①

Full forename(s) Alex

Surname Cadwallader

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Leonard Curtis

Street 5th Floor

Grove House

Post town 248a Marylebone Road

County/Region London

Postcode N W 1 6 B B

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	d 2 d 0	m 1 m 2	y 2 y 0 y 1 y 8
To date	d 1 d 9	m 1 m 2	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 1 d 7	m 0 m 2	y 2 y 0 y 1 y 0
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LIQ03

Notice of progress report in voluntary winding up

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Luke Mahoney**

Company name **Leonard Curtis**

Address **5th Floor**

Grove House**248a Marylebone Road**

Post town **London**

Country/Region

Postcode **N W 1 6 B B**

Country

DX

Telephone **020 7535 7000**

**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



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**Musicspace (UK) Limited
(In Creditors' Voluntary Liquidation)**

Company Number: 05068637

Former Registered Office: Thames House, Bourne End Business Park, Cores End Road, Bourne End SL8 5AS

Trading Address: Unit 10 Latimer Industrial Estate, Latimer Road, London W10 6RQ

**Joint Liquidators' First Progress Report
Pursuant to Section 104A(1) of the Insolvency Act 1986 (as amended)
and Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

**Report period
20 December 2018 to 19 December 2019**

17 February 2020

Andy John and Alex Cadwallader - Joint Liquidators
Leonard Curtis
5th Floor, Grove House, 248a Marylebone Road
London NW1 6BB
Tel: 020 7535 7000 Fax: 020 7723 6059
creditors@leonardcurtis.co.uk
Ref: L/47/LM/MUS06/1010

CONTENTS

- 1 Introduction
- 2 Conduct of the Liquidation
- 3 Receipts and Payments Account
- 4 Outcome for Creditors
- 5 Investigations
- 6 Joint Liquidators' Remuneration, Expenses and Disbursements, and Creditors' Rights
- 7 Matters Still to be Dealt With
- 8 Other Matters

APPENDICES

- A Summary of Joint Liquidators' Receipts and Payments from 20 December 2018 to 19 December 2019
- B Summary of Joint Liquidators' Time Costs from 20 December 2018 to 19 December 2019
- C Summary of Joint Liquidators' Time Costs for the Period from 20 December 2018 to 19 December 2019 Incorporating a Comparison of the Joint Liquidators' Fees Estimate
- D Summary of Joint Liquidators' Expenses from 20 December 2018 to 19 December 2019 Incorporating a Comparison of the of Joint Liquidators' Statement of Likely Expenses
- E Leonard Curtis Policy Regarding Fees, Expenses and Disbursements
- F Proof of Debt Form
- G Privacy Notice

TO ALL MEMBERS, CREDITORS AND THE REGISTRAR OF COMPANIES

1 INTRODUCTION

- 1.1 Andy John and Alex Cadwallader were appointed Joint Liquidators of Musicspace (UK) Limited ("the Company") on 20 December 2018.
- 1.2 Andy John and Alex Cadwallader are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 20896 and 9501 respectively.
- 1.3 There has been no change in office holder since the date of liquidation.
- 1.4 This report provides an update on the conduct of the liquidation for the period from 20 December 2018 to 19 December 2019, as required by Section 104A(1) of the Insolvency Act 1986 (as amended) ("the Act") and Rule 18.3 of the Insolvency (England and Wales) Rules 2016 ("the Rules"). It contains details of the progress made, the expected outcome for creditors and other information that the Joint Liquidators are required to disclose.

2 CONDUCT OF THE LIQUIDATION

- 2.1 The Company's registered office was changed to c/o Leonard Curtis, 5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB on 25 January 2019.

Assets Realised

2.2 Tangible Assets

The tangible assets comprised of various musical instruments. The director's statement of affairs showed tangible assets with an estimated to realise value of £6,500. The Joint Liquidators' instructed Axia Valuation Services ("Axia") to provide a valuation and assist with the sale of the tangible assets.

The tangible assets were sold to Curly Music, an unconnected party, for £5,600 plus VAT on 27 March 2019. The offer was accepted based on the recommendation of Axia, who had marketed these assets and confirmed that this offer represented fair value. The consideration has been received in full.

2.3 Balance at Bank

The director's statement of affairs estimated a balance at bank of £136. Cash at bank totalling £679 has been recovered into the liquidation estate. The difference was due to a debtor paying into the Company's bank account following the preparation of the statement of affairs.

2.4 Stock

The Company had minimal stock at the premises which was estimated to realise £100 as per the director's statement of affairs. Axia have advised that due to the nature and relatively low value of the asset, together with potential additional costs for removal, storage, or other charges which may arise upon disposal to a third party, the costs would outweigh any potential realisations. Consequently, the asset has been written off as unrecoverable.

2.5 Trade Debtors

The director's statement of affairs showed trade debtors with a book value of £1,758. It is understood that a debtor paid into the Company's pre-appointment bank account prior to the liquidation in the sum of £611. In November 2019, the director advised the Joint Liquidators that there were additional historical book debts totalling £2,355 which were originally omitted due to their age.

MusicSpace (UK) Limited – In Creditors' Voluntary Liquidation

No debtor realisations have been achieved to date. The Joint Liquidators are continuing to pursue the outstanding debts of £3,502, however, given that the book debts are over 3 years old we remain sceptical as to whether any of these balances will be recovered.

2.6 Other Debtors

The Company had other debtors with a book value of £12,644 in respect of a rent deposit and a tax refund. These debts have been written off as unrecoverable as both the landlord and HM Revenue & Customs have significant outstanding arrears.

2.7 Cost Contribution

A cost contribution of £5,000 was paid by the Company's director towards the payment of the Joint Liquidators' pre-appointment costs.

Assets Still to be Realised

2.8 The following assets are still to be realised:

Description	£
Debtors	<u>Uncertain</u>
	<u>Uncertain</u>

3 RECEIPTS AND PAYMENTS ACCOUNT

3.1 A summary of the Joint Liquidators' receipts and payments for the period from 20 December 2018 to 19 December 2019 is attached at Appendix A.

3.2 All figures are stated net of VAT.

4 OUTCOME FOR CREDITORS

Secured Creditors

4.1 The Company had one secured creditor, Just Cash Flow Plc, who held a fixed and floating charge debenture which was registered at Companies House on 23 October 2017 and delivered on the same date. The director personally discharged the outstanding liability of £21,613 under a personal guarantee and the debenture was subsequently satisfied.

Preferential Creditors

4.2 As at the date of liquidation, there was one preferential creditor, with estimated claims totalling £1,994.

4.3 The funds realised in the estate have already been used or allocated for paying the expenses of the liquidation and further realisations from the debtors are considered unlikely. As a result, there will be no dividend to the preferential creditors.

Prescribed Part

4.4 The Act provides that, where a company has created a floating charge after 15 September 2003, a Liquidator must make a prescribed part of the company's net property available to the unsecured creditors and not distribute

it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims.

- 4.5 In this case, a prescribed part will not need to be set aside as there were no amounts payable to the secured creditor under its floating charge.

Ordinary Unsecured Creditors

- 4.6 As at the date of liquidation, there were 16 ordinary unsecured creditors, with estimated claims totalling £71,225.
- 4.7 The funds realised in the estate have already been used or allocated for paying the expenses of the liquidation and further realisations from the debtors are considered unlikely. As a result, there will be no dividend to the ordinary unsecured creditors.
- 4.8 The Joint Liquidators have collated and acknowledged (where requested) the claims of the ordinary unsecured creditors, although, in view of the fact that there will be no distribution to this class of creditor, unsecured claims have not been formally agreed.

5 INVESTIGATIONS

- 5.1 Following their appointment, the Joint Liquidators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.
- 5.2 That assessment did not identify any possible further realisations. In addition, the Joint Liquidators concluded that no further investigations were required. If, however, any creditor is aware of any particular matters which they consider require investigation, they should send full details to this office.
- 5.3 Notwithstanding the above, the Joint Liquidators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

6 JOINT LIQUIDATORS' REMUNERATION, EXPENSES AND DISBURSEMENTS, AND CREDITORS' RIGHTS

Remuneration

- 6.1 A fee of £7,500 plus VAT in respect of the preparation of the statement of affairs was approved by creditors on 20 December 2018. £7,500 plus VAT has been drawn from estate funds, of which £2,000 has been paid to Sterling Grove Accountants for their assistance with the preparation of the statement of affairs.
- 6.2 On 25 January 2019, creditors resolved by way of business by correspondence, that the Joint Liquidators' remuneration be payable by reference to time properly given by them and their staff in attending to matters arising in the liquidation as set out in the Fees Estimate dated 4 January 2019 (for an amount totalling £10,419). The Joint Liquidators' time costs for the period from 20 December 2018 to 19 December 2019 are £9,971, which represents 42.9 hours at an average hourly rate of £232.42. Attached at Appendix B is a time analysis which provides details of the activity costs incurred by staff grade during the period from 20 December 2018 to 19 December 2019, together with a detailed description of work undertaken attributable to each category of time costs and an explanation of why it was necessary for that work to be performed.
- 6.3 At Appendix C is a comparison of categorised time costs incurred and the estimated time costs as per the original Fees Estimate. You will note that the categories of time costs incurred do not generally exceed those as set out in the Fees Estimate.

6.4 No fees have been drawn to date.

Expenses

6.5 A comparison of the Joint Liquidators' expenses from 20 December 2018 to 19 December 2019 and the Joint Liquidators' statement of likely expenses is attached at Appendix D. To assist creditors' understanding of this information, it has been separated into the following two categories:

- **Standard Expenses:** this category includes expenses payable by virtue of the nature of the liquidation process and / or payable in order to comply with legal or regulatory requirements.
- **Case Specific Expenses:** this category includes expenses likely to be payable by the Joint Liquidators in carrying out their duties in dealing with issues arising in this particular liquidation. Included within this category are costs that are directly referable to the liquidation but are not paid to an independent third party (and which may include an element of allocated costs). These are known as 'category 2 disbursements' and they may not be drawn without creditor approval.

Disbursements

6.6 On 25 January 2019, creditors resolved that the Joint Liquidators be authorised to draw category 2 disbursements.

6.7 You will note that, in general, the nature and value of expenses incurred to date fall within those anticipated within the original statement of expenses.

6.8 Attached at Appendix E is additional information in relation to the firm's policy on staffing, the use of subcontractors, disbursements and details of current charge-out rates by staff grade. Please be aware that the firm's charge out rates have been amended with effect from 1 August 2019.

6.9 During the liquidation, the following professional advisors have been used:

Name of Professional Advisor	Service Provided	Basis of Fees
Axia Valuation Services	Valuation and disposal of tangible assets	Time costs
Sterling Grove Accountants	Assistance with the preparation of the statement of affairs	Fixed fee

Creditors' Rights

6.10 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least five per cent in value of the unsecured creditors (including the creditor in question), or with the permission of the Court, may request in writing that the Joint Liquidators provide further information about their remuneration or expenses, which have been itemised in this report.

6.11 Under Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10 per cent in value of the unsecured creditors (including that creditor) or the permission of the Court, may within eight weeks of receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question, 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 the progress report, are excessive.

- 6.12 Unless the Court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the liquidation.

7 MATTERS STILL TO BE DEALT WITH

Matters still to be dealt with before conclusion of the liquidation include the following:

- The realisation of the remaining assets, as detailed in section 2.
- The unpaid remuneration and expenses will need to be paid prior to the conclusion of the liquidation.

8 OTHER MATTERS

- 8.1 For your information, a creditor's guide to liquidators' fees, (Version 4 – April 2017) which sets out the rights of creditors and other interested parties under the insolvency legislation, may be accessed via the following link:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/617043/creditors-guide-to-liquidators-fees.pdf

- 8.2 If you would prefer this to be sent to you in hard copy form, please contact Luke Mahoney of this office on 020 7535 7000.

- 8.3 Creditors are also encouraged to visit the following website, which provides a step by step guide designed to help creditors navigate through an insolvency process:

<http://www.insolvency.gov.uk/>

- 8.4 The Joint Liquidators are bound by the Insolvency Code of Ethics, which can be found at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/617043/insolvency-code-of-ethics.pdf

Data Protection

- 8.5 When submitting details of your claim in the liquidation, you may disclose personal data to the Joint Liquidators. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. The Joint Liquidators act as Data Controllers in respect of personal data they obtain in relation to this liquidation and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Liquidators' privacy notice, which is attached to this report at Appendix G, explains how they process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

Yours faithfully



ANDY JOHN
Joint Liquidator

Andy John and Alex Cadwallader are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 20896 and 9501, respectively.

SUMMARY OF JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS FROM 20 DECEMBER 2018 TO 19 DECEMBER 2019

	Estimated to realise £	Realisations to date £
RECEIPTS		
Tangible Assets	6,500	5,600.00
Stock	100	-
Trade Debtors	1,319	-
Balance at Bank	136	678.70
Other Debtors	Uncertain	-
	<u>8,055</u>	<u>6,278.70</u>
Third Party Contribution		5,000.00
		<u>11,278.70</u>
PAYMENTS		
Agents' Valuation Costs		1,250.00
Agents' Commission and Expenses		1,000.00
Insurance		168.00
Statement of Affairs Fee		7,500.00
		<u>9,918.00</u>
BALANCE IN HAND		<u>1,360.70</u>

APPENDIX B

SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FROM 20 DECEMBER 2018 TO 19 DECEMBER 2019

Summary of Joint Liquidators' Time Costs from 20 December 2018 to 19 December 2019

	Director		Senior Manager		Manager 1		Administrator 2		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory and Review	11	495.00	8	328.00	26	949.00	2	50.00	29	435.00	76	2,257.00	296.97
Receipts and Payments	2	90.00	3	123.00	-	-	1	25.00	12	180.00	18	418.00	232.22
Insurance, Bonding and Pensions	-	-	-	-	-	-	-	-	34	510.00	34	510.00	150.00
Assets	17	765.00	1	41.00	-	-	1	25.00	41	615.00	60	1,446.00	241.00
Liabilities	6	270.00	-	-	-	-	-	-	17	255.00	23	525.00	228.26
Landlords	8	360.00	-	-	-	-	-	-	5	75.00	13	435.00	334.62
General Administration	15	675.00	-	-	-	-	1	25.00	40	600.00	56	1,300.00	232.14
Appointment	-	-	-	-	-	-	-	-	29	435.00	29	435.00	150.00
Post Appointment Creditor Reporting	10	450.00	-	-	10	365.00	-	-	36	540.00	56	1,355.00	241.96
Investigations	11	495.00	-	-	-	-	-	-	53	795.00	64	1,290.00	201.56

Total	80	3,600.00	12	492.00	36	1,314.00	5	125.00	296	4,440.00	429	9,971.00
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Average Hourly Rate (£)		450.00		410.00		365.00		250.00		150.00		232.42
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All Units are 6 minutes

**DETAILED NARRATIVE OF WORK PERFORMED BY THE JOINT LIQUIDATORS AND THEIR STAFF IN THE
PERIOD 20 DECEMBER 2018 TO 19 DECEMBER 2019**

Statutory and Review

This category of activity encompasses work undertaken for both statutory and case management purposes. Whilst this work has not directly resulted in any monetary value for creditors, it has ensured that the case was managed efficiently and resourced appropriately, which has been of benefit to all creditors. The work carried out under this category has comprised the following:

- Case management reviews.
- Allocation of staff, management of staff, case resourcing and budgeting.
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9.
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice.
- The team is required under the Company Directors Disqualification Act 1986 ("CDDA") to review the Company's records and consider information provided by creditors on the conduct of the directors involved in the Company during the three years leading up to the insolvency. This has resulted in the preparation and submission of a statutory report on the director to the Insolvency Service. Evidence of unfit conduct can result in directors being disqualified for periods of up to 15 years.
- Review of the director's statement of affairs and filing of the document at Companies House in accordance with statutory requirements.

Receipts and Payments

This category of work has not resulted in a direct financial benefit for creditors. However, close monitoring of case bank accounts was essential to ensure that bank interest was maximised where possible and estate expenses were properly managed and kept to a minimum.

- Opening of case bank account.
- Management of case bank account to ensure compliance with relevant risk management procedures.
- Timely completion of all post appointment tax and VAT returns.
- Managing estate expenses.

Insurance, Bonding and Pensions

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect company assets (see insurance and bonding matters below), whilst requirements in respect of company pension schemes are there to protect the pension funds of Company employees. Whilst there was no direct financial benefit to Company creditors in dealing with these, close control of case expenditure was crucial to delivering maximum returns to the appropriate class of creditor.

- Periodic review of insurance requirements over any physical assets, to minimise costs to the estate.

Musicspace (UK) Limited – In Creditors' Voluntary Liquidation

- Calculation and request of Joint Liquidators' bond in accordance with the Insolvency Practitioners Regulations 2005. A bond is a legal requirement on all insolvency appointments and is essentially an insurance policy to protect creditors against the fraud or dishonesty of the Insolvency Practitioner. The bond is calculated by reference to the value of assets which are estimated before costs to be available to unsecured creditors.
- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice.
- Completion and submission of statutory notifications under the Pensions Act 2004. This includes liaising with the Company directors and advisors to establish the existence of Company pension schemes, making the statutory notifications under s22 and s120 of the pensions legislation; liaising with pensions providers to understand the nature of the scheme, and submitting claims to the Redundancy Payments Service for reimbursement of unpaid contributions to the scheme.

Assets

- Agreeing strategy for realisation of Company assets – the Joint Liquidators instructed Axia Valuation Services ("Axia") to provide a valuation of the Company's tangible assets and to assist with the disposal of these assets.
- Liaising with Axia regarding the sale of the Company's tangible assets.
- Liaising with the Company's bankers regarding recovery of the balance at bank.
- Liaising with the Company's debtors regarding payment of the outstanding balances.
- Identification and return of any third party assets – as the Company provided a storage facility for a number of third party assets, the Joint Liquidators liaised with the landlord with regards to access to the premises in order that the third parties could collect their assets.

Liabilities

This category of time includes both statutory and non-statutory matters.

Statutory

- Processing of claims from the Company's creditors - the Company's records indicated that there are a total of 16 creditors in the liquidation. Based on the estimated to realise value of the assets shown in the directors' statement of affairs, it is unlikely that there will be sufficient asset realisations to enable a distribution to unsecured creditors after costs of the liquidation have been taken into consideration. The Joint Liquidators' activities in this regard has therefore been limited to lodging creditors' claims.
- Processing of claims from the Company's employees - the Company had one employee who was made redundant prior to the liquidation and submitted a claim. We have been liaising with the employee and the Redundancy Payments Service in respect to their queries and claims.

Non-statutory

- Dealing with enquiries from the Company's creditors / employee – this has included dealing with creditors' and the employee's general queries by post, telephone and email.

Landlords

- Liaising with the landlord in respect of gaining access to the premises to uplift the Company's assets.

General Administration

- General planning matters.
- Setting up and maintaining the Joint Liquidators' records.
- Arranging collection and storage of Company records.
- Dealing with general correspondence and communicating with the director and shareholders.

Appointment

- Statutory notifications to creditors and other interested parties following the Joint Liquidators' appointment.
- Preparation of case plan.

Post Appointment Creditor Reporting

- Preparation of Fees Estimate and Statement of Expenses.
- Convening a decision by correspondence to agree Fees Estimate with appropriate body of creditors.
- Preparing a record of the decisions made.

Investigations

- Collecting and reviewing the Company's records - the Company's records were limited, primarily consisting of invoices, bank statements and financial accounts.
- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations and enable the submission of returns due under the CDDA - bank statements have been reviewed in order to identify potential additional assets, however, no assets have been identified in this case. The submission of returns under the CDDA is a statutory requirement and has not resulted in any benefit to creditors.

SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FOR THE PERIOD FROM 20 DECEMBER 2018 TO 19 DECEMBER 2019 INCORPORATING A COMPARISON OF THE JOINT LIQUIDATORS' FEES ESTIMATE

	FEES ESTIMATE			INCURRED TO 14 FEBRUARY 2020			VARIANCE
	Total			Total			
	Units	Cost	Average	Units	Cost	Average	
	No	£	hourly rate	No	£	hourly rate	
Statutory and Review	70	1,826.00	260.86	76	2,257.00	296.97	(431.00)
Receipts and Payments	25	427.00	170.80	18	418.00	232.22	9.00
Insurance, Bonding and Pensions	21	315.00	150.00	34	510.00	150.00	(195.00)
Assets	61	1,473.00	241.48	60	1,446.00	241.00	27.00
Liabilities	42	690.00	164.29	23	525.00	228.26	165.00
Landlords	10	390.00	390.00	13	435.00	334.62	(45.00)
Debenture Holder	13	423.00	325.38	-	-	-	423.00
General Administration	36	540.00	150.00	56	1,300.00	232.14	(760.00)
Appointment	33	645.00	195.45	29	435.00	150.00	210.00
Post Appointment Creditor Reporting	102	2,298.00	225.29	56	1,355.00	241.96	943.00
Investigations	56	1,392.00	248.57	64	1,290.00	201.56	102.00
	469	10,419.00	219.59	429	9,971.00	232.42	448.00

**SUMMARY OF JOINT LIQUIDATORS' EXPENSES FROM 20 DECEMBER 2018 TO 19 DECEMBER 2019
INCORPORATING A COMPARISON OF THE OF JOINT LIQUIDATORS'
STATEMENT OF LIKELY EXPENSES**

Standard Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
AML Checks	Business Tax Centre	Electronic client verification	10.00	15.00	15.00	-	15.00
Bond Fee	AUA Insolvency Risk Services	Insurance bond	25.00	25.00	25.00	-	25.00
Company Searches	-	Extraction of company information from Companies House	4.00	-	-	-	-
Document Hosting	Pelstar Computing	Hosting of documents for creditors	21.00	14.00	14.00	-	14.00
Software Licence Fee	Pelstar Computing	Case management system licence fee	87.00	87.00	87.00	-	87.00
Statutory Advertising	Courts Advertising	Advertising	166.04	166.05	166.05	-	166.05
Storage Costs	Total Data Management	Storage of books and records	200.00	218.41	218.41	-	218.41
Post Redirection	-	Redirection of post	-	-	-	-	-
Postage	Royal Mail	Cost of postage	50.00	22.18	22.18	-	22.18
		Total standard expenses	563.04	547.64	547.64	-	547.64

Case Specific Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Agents' Fees	Axia Valuation Services	Costs of valuing and realising assets	Time costs	2,250.00	2,250.00	2,250.00	-
Debt Collection Fees	-	Costs of collection of debts	-	-	-	-	-
Legal Fees	-	Costs of appointed solicitors	-	-	-	-	-
Staff Mileage	-	Category 2 disbursement requiring specific creditor / committee approval	-	-	-	-	-
Printing and Photocopying	Leonard Curtis	Category 2 disbursement requiring specific creditor / committee approval	50.00	35.40	35.40	-	35.40
		Total case specific expenses	50.00	2,285.40	2,285.40	2,250.00	35.40

Please note that the unpaid disbursements were discharged outside of the period covered by this report.

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

The following Leonard Curtis policy information is considered to be relevant to creditors:

Staff Allocation and Charge Out Rates

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters e.g. report despatching, is not charged.

Where it has been agreed by resolution that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

6 Jan 2014 onwards	Standard	Complex	1 Aug 2019 onwards	Standard	Complex
	£	£		£	£
Director	450	562	Director	525	656
Senior Manager	410	512	Senior Manager	445	556
Manager 1	365	456	Manager 1	395	494
Manager 2	320	400	Manager 2	345	431
Administrator 1	260	325	Administrator 1	280	350
Administrator 2	230	287	Administrator 2	250	313
Administrator 3	210	262	Administrator 3	230	288
Administrator 4	150	187	Administrator 4	165	206
Support	0	0	Support	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, who may be used for non-contentious matters pertaining to the insolvency appointment.

Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

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Type	Description	Amount																								
AML checks	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per search																								
Bond / Bondshare fee	Insurance bond to protect the insolvent entity against and losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting	Posting of documents for creditors/shareholders. Cost per upload plus VAT	<table> <tr> <th>Type</th><th>First 100</th><th>Every addtl 10</th></tr> <tr> <td>ADM</td><td>£14.00</td><td>£1.40</td></tr> <tr> <td>CVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>MVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CPL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CVA</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>BKY</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>IVA</td><td>£10 p.a. or £25 for life of case</td><td></td></tr> </table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
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Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £204.00 3-6 months £303.00 6-12 months £490.00																								
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case																								
Statutory advertising	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£91.80 - £102.00 plus VAT per advert Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges																								

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions.	Time costs plus disbursements plus VAT
Other disbursements	See disbursements section below	See disbursements section below

Disbursements

Included within both of the above categories of expenses are disbursements, being amounts paid firstly by Leonard Curtis on behalf of the insolvent entity and then recovered from the entity at a later stage. These are described as Category 1 and Category 2 disbursements.

- a) Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£81.25 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

Insolvency (England and Wales) Rules 2016
Rule 14.4

Proof of Debt – General Form

CREDITORS' VOLUNTARY LIQUIDATION

RELEVANT DATE FOR CLAIMS: 20 DECEMBER 2018

Please e-mail completed form to:

recovery@leonardcurtis.co.uk quoting ref: MUS06/LM/PROOF

Name of Company in Liquidation:

MUSICSPACE (UK) LIMITED

Company registration number:

[Liquidation only]

05068637

1 Name of creditor

(If a company, provide the company registration number).

2 Correspondence address of creditor (including any email address)

3 Total amount of claim (£)

(include any Value Added Tax)

4 If amount in 3 above includes (£)

outstanding uncapitalised interest, state amount.

5 Details of how and when the debt was incurred.

(If you need more space, attach a continuation sheet to this form)

6 Details of any security held, the value of the security and the date it was given.

7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.

8 Details of any document by reference to which the debt can be substantiated

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9 Signature of creditor
(or person authorised to act on the creditor's behalf)

10 Date of signature

11 Address of person signing if different from 2 above

12 Name in BLOCK LETTERS:

13 Position with, or relation to, creditor

Admitted to vote for

Amount (£)

Date

Admitted for dividend for

Amount (£)

Date

Liquidator

Liquidator

Notes:

1. There is no need to attach them now but the office holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.

2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

3 Please e-mail completed form to:

recovery@leonardcurtis.co.uk quoting ref: MUS06/LM/PROOF

LEONARD CURTIS PRIVACY NOTICE FOR CREDITORS

Information we collect and hold about you

By requesting details of your claim in this insolvency we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation ("the GDPR"). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

Legal justification for processing your Personal Data

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

How we use your information

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity's liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

Who we share your information with

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

How long will we hold your Personal Data for?

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

Your rights in respect of your Personal Data

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.

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Your right to complain

You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.

If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliffe House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

Contacting us

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, 5th Floor, Grove House, 243A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: privacy@leonardcurtis.co.uk.

Data Controller: LEONARD CURTIS