

## The Insolvency Act 1986

Liquidator's Progress  
Report

S. 192

Pursuant to section 92A and 104A  
of the Insolvency Act 1986

To the Registrar of Companies

For official use

--	--	--

Company Number

05654941

Name of Company

(a) Insert full  
name of company

(a) FILM24 LIMITED - IN LIQUIDATION

(b) Insert full  
name(s) and  
address(es)I <sup>(b)</sup>Stephen Katz of David Rubin & Partners LLP, 26 - 28 Bedford Row,  
London, WC1R 4HEthe liquidator~~(s)~~ of the company attach a copy of my/~~our~~ Progress Report  
under section 192 of the Insolvency Act 1986

Signed



Date 3/8/2011

Presenter's name,  
address and  
reference  
(if any)David Rubin & Partners LLP  
26 - 28 Bedford Row  
London WC1R 4HE

Tel 020 7400 7900

DX Number 267 DX Exchange London/Chancery Lane

For Official Use

Liquidation Section

Post Room

SATURDAY



A07

\*A2703SGQ\*  
04/05/2013  
COMPANIES HOUSE

#52

**IN THE MATTER OF**  
**FILM24 LIMITED - IN LIQUIDATION**

**AND**  
**THE INSOLVENCY ACT 1986**

**THE LIQUIDATOR'S FIRST ANNUAL PROGRESS REPORT**  
**PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986**  
**AND**  
**RULE 4.49C OF THE INSOLVENCY RULES 1986**  
**FOR THE YEAR ENDED 8 JUNE 2011**

**FILM24 LIMITED - IN LIQUIDATION**  
**Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986**

---

**CONTENTS**

- a Introduction
- b Statutory Information
- c Liquidator's name and address
- d Basis of Liquidator's remuneration
- e Liquidator's remuneration
- f Liquidation expenses
- g Details of progress including a Receipts and Payments Account
- h Investigations
- i Creditors' Rights
- j Other relevant information
- k Next Report

**APPENDICES**

- A Receipts and Payments Account from 9 June 2010 to 8 June 2011
- B Time Analysis for the period 9 June 2010 to 8 June 2011

**FILM24 LIMITED - IN LIQUIDATION**  
**Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986**

---

**(a) Introduction**

The Company was placed into liquidation by a Special Resolution of the members followed by a meeting of the creditors convened under section 98 of the Insolvency Act 1986 on 9 June 2010. This report provides an update on the progress in the liquidation for the year ended 8 June 2011.

**Rule 4.49C-CVL(5). Progress Report**

**(b) Statutory Information**

Company name	Film24 Limited
Registered office	26 - 28 Bedford Row, London, WC1R 4HE
Company number	05654941
Trading address	Pinewood Studios, Pinewood Road, Iver Heath, Buckinghamshire SL0 0NH

**(c) Liquidator's names and address:**

Stephen Katz of David Rubin & Partners LLP, 26 - 28 Bedford Row, London, WC1R 4HE was appointed Liquidator of the Company on 9 June 2010.

**(d) Liquidator's Remuneration**

*Basis of remuneration*

- 1.1 At the first meeting of Creditors a resolution was passed approving that the basis of my remuneration as Liquidator be fixed by reference to the time properly spent by my staff and myself in attending to matters arising in the winding-up.
- 1.2 In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), a schedule of my firm's charge-out rates was issued to creditors at the time the basis of the Liquidator's remuneration was approved. There has not been a material increase in the rates during this appointment. Our current hourly chargeout rates, exclusive of VAT, are as follows:

	£
Partners/Office Holders	300 - 395
Managers/Senior Managers	220 - 260
Administrators/Senior Administrators	110 - 140
Cashiers and Assistants	100 - 120

Chargeout rates are normally reviewed annually in November, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance.

**FILM24 LIMITED - IN LIQUIDATION**  
**Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986**

**13 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, Senior Administrator and two Administrators. 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 have not utilised the services of any subcontractors in this case.

**(e) Liquidator's remuneration**

My time costs for the year under review are £26,999.00. This represents 141.30 hours at an average rate of £190.81 per hour. I attached as Appendix B a Time Analysis which provides details of the activity during the year, analysed by staff grade.

To view an explanatory note concerning Liquidator's remuneration issued by the Joint Insolvency Committee, please visit the Publications folder on our website at [www.drpartners.com/cases](http://www.drpartners.com/cases), using the following log-on details:

USERNAME [f911.fil@sharesrvr.com](mailto:f911.fil@sharesrvr.com) PASSWORD hf119F\*

Alternatively, please contact this office to arrange for a copy to be sent to you.

Included in the work undertaken by me and my staff is the following -

- i Dealing with creditors' enquiries both by correspondence and by telephone and noting their claims and distributing a first and final dividend
- ii Agreeing preferential claims and paying a preferential dividend
- iii Carrying out all necessary investigations, including the examination of the Company's statutory books and books of accounts and records in order to enable me to prepare and submit a Liquidator's report on the conduct of the directors pursuant to the requirements of the Company Directors Disqualification Act 1986
- iv Preparation and circulation of my annual progress reports and Receipts and Payments Account to creditors pursuant to S104A of the Insolvency Act 1986 and submission of same to the Registrar of Companies
- v Dealing with all matters relating to book debts, including correspondence and telephone attendances with the debtors
- vi Reaching a settlement with Media Icon in respect of the debt it owed to the Company

**(f) Liquidator's Expenses**

Expenses incurred in the liquidation are explained at (g) below in my comments on the Receipts and Payments Accounts.

## **FILM24 LIMITED - IN LIQUIDATION**

### **Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986**

**(g) Details of progress for the period under review.**

A Receipts and Payments Account is attached at Appendix A, which is further explained below

**1     Receipts**

**1.1     Furniture and Equipment**

The amount of £780 00 plus VAT was received for the sale of the Company's office furniture and computers. This figure was based on the forced sale valuation received from our agents Phillip Davies & Sons.

**1.2     Stock**

The Company's stock comprised of a large quantity of used tapes. The stock was sold for £970 00 plus VAT which was in line with Phillip Davies & Sons forced sale valuation.

**1.3     Book Debts**

This relates to monies received from Media Icon in settlement of a dispute in respect of monies owed by Media Icon to the Company.

**1.4     Website, Goodwill and IPR**

Phillip Davies & Sons open market valuation of the Company's website, goodwill and IPR was between £10,000 and £15,000. The Company's intangible property was sold for £11,750 00 plus VAT.

**1.5     VAT Refund**

The amount of £50,317 71 was received in respect of a VAT refund, which was held in our client account and transferred to the current account upon my appointment as Liquidator.

**1.6     Bank Interest Gross**

Interest earned on the funds in hand amount to £176 38.

**2.     Payments**

**2.1     Statutory Advertising**

This represents the costs for the publishing of statutory advertising in the London Gazette in respect of the first and final meeting of the members and creditors, the notice of the appointment of the liquidator and to creditors to submit their claims in the liquidation.

**2.2     Specific Bond**

The specific bond is the cost of insurance, based on the level of realisations by the Liquidator, as required by the Insolvency Practitioners Regulations 2005.

## **FILM24 LIMITED - IN LIQUIDATION**

### **Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986**

#### **2.3 Meeting Costs**

The first meetings of members and creditors were held at my offices for which my firm charged a nominal rental of £150 plus VAT for the provisions of the boardroom and ancillary facilities

#### **2.4 Office Holder's Fees**

The basis of my remuneration is set out at (d) and (e) above To date, I have drawn fees of £22,989 00

#### **2.5 Preparation of Statement of Affairs**

This fee relates to the assistance given to the directors of the Company in notifying and convening the members and creditors meeting under section 98 of the Insolvency Act 1986, and the preparation of the statement of affairs and directors' report to creditors This fee was approved at the first meeting of creditors

#### **2.6 Legal Fees**

The amount of £3,908 95 plus VAT was paid to solicitors Squire, Sanders & Dempsey for the legal services they provided in respect of the dispute between the Company and Media Icon Squire, Sanders and Dempsey successfully reached an out of court settlement with Media Icon whereby the latter has paid the Company the amount of £25,638 81 by installment There is no amount outstanding in respect of legal fees

Squire, Sanders & Dempsey have a specialist Insolvency department and they were chosen on that basis after taking into account the size and complexity of the legal issues Squire, Sanders & Dempsey charge their fees on a time cost basis and they have provided me with an analysis of the time they have spent in relation to this matter

#### **2.7 Agent's/ Valuer's fees**

The amount of £2,730 01 plus VAT was paid to Phillip Davies & Sons in respect of their fees and disbursements for providing the valuation of the Company's assets comprising of plant and machinery, office furniture, computer equipment, intellectual property and stock and assisting in the sale thereof Phillip Davies & Sons received an offer for the Company's assets from Goldfinch Limited, a connected party, in the sum of £12,000 00 However, the agents managed to negotiate an increase to £13,500 00 plus VAT There is no amount outstanding in respect of agent s fees

#### **2 8 Statutory costs**

The amount of £18 was paid in respect of fees for various searches and information obtained from Companies House

**FILM24 LIMITED - IN LIQUIDATION**  
**Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986**

**(h) Details of any assets that remain to be realised**

All assets have been realised

**(i) Investigations**

1 1 In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills (BIS) As this is a confidential report, I am not able to disclose the contents

**(j) Creditors' rights – Rule 4.49E and Rule 4.131**

- i) 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 Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report
- ii) 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 the basis fixed for the Liquidator's remuneration, the remuneration charged or the expenses incurred by the Liquidator as set out in this progress report are excessive

**(k) Any other relevant information:**

**(i) Preferential creditors**

I have received a preferential claim from the Redundancy Payments Office for £9,707.37 There are also preferential claims of 4 employees who were owed the balance of their holiday pay amounting to £5,163.39 The preferential creditors have been paid in full less an amount deducted for PAYE and NIC

**(ii) Unsecured creditors**

The claims of 41 unsecured creditors have been noted when received A first and final dividend in the amount of 0.78p in the £ has been declared and paid to all unsecured creditors who have proved in the Liquidation



**FILM24 LIMITED - IN LIQUIDATION**

**Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986**

**(I) Next Report**

I am required to provide a further report on the progress of the liquidation within two months of the end of the next anniversary of the liquidation, unless I have concluded matters prior to that, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors

I trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact Charlotte Buckley at this office



**STEPHEN KATZ - LIQUIDATOR**

**DATE: 3 August 2011**

**Film 24 Limited - in liquidation**  
**Liquidator's Receipts and Payments Account**  
**From 9 June 2010 to 8 June 2011**

<b>Receipts</b>	<b>£</b>	
Furniture and Equipment	780 00	
Stock	970 00	
Book Debts	25,638 81	
Website, Goodwill and IPR	11,750 00	
Vat Refund	50,317 71	
Bank Interest Gross	<u>176 38</u>	89,632 90
<b>Payments</b>		
Statutory Advertising	302 40	
Specific Bond	420 00	
Meeting Costs	150 00	
Office Holder Fees	22,989 00	
Preparation of Statement of Affairs	7,500 00	
Legal Fees	3,908 95	
Agent's/ Valuer's Fees	2,730 01	
Statutory Costs	<u>18 00</u>	38,018 36
		<u>51,614 54</u>
<b>Distributions</b>		
Preferential Dividend 100p in £	14,870 76	
Unsecured Dividend of 0 78p in £	<u>34,125 78</u>	48,996 54
Receipts less Payments		<u><u>2,618 00</u></u>
<b>Represented By</b>		
VAT Receivable	1,694 76	
Balance at Bank	<u>923 24</u>	<u><u>2,618 00</u></u>

**Stephen Katz - Liquidator**

<b>FILM 24 LIMITED - IN LIQUIDATION</b> <b>LIQUIDATOR'S TIME COSTS FOR THE PERIOD 9 JUNE 2010 TO 8 JUNE 2011</b> <b>SIP 9 TIME SUMMARY</b>							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Managers / Senior Managers	Administrators/ Senior Administrators	Cashiers	Total hours		
Statutory compliance, admin and planning	00 36	07 12	25 54	10 30	44 12	5,904 00	133 57
Investigations	00 12	00 00	05 42	00 06	06 00	715 00	119 17
Realisations of assets	09 54	35 54	00 42	00 00	46 30	11,865 00	255 16
Creditors	04 30	18 48	21 30	00 00	44 48	8 515 00	190 07
Trading	00 00	00 00	00 00	00 00	00 00	0 00	0 00
<b>Total hours and costs</b>	<b>15 12</b>	<b>61 54</b>	<b>53 48</b>	<b>10 36</b>	<b>141 30</b>	<b>26,999 00</b>	<b>190 81</b>

The above headings include *inter alia*

#### Administration and Planning

case planning  
appointment notification  
maintenance of records  
statutory reporting and compliance  
tax and VAT

#### Realisation of Assets

identifying and securing assets  
debt collection  
property, business and asset sales

#### Investigations

SIP2 review  
reports pursuant to Company Directors Disqualification Act 1986  
investigating antecedent transactions

#### Creditors

communications with creditors  
creditors claims (including secured creditors, employees and preferential creditors)

#### Direct expenses ("Category 1 disbursements")

Category 1 disbursements as defined by SIP 9 which can be specifically identified as relating to the administration of the case will be charged to the estate at cost, with no uplift. These include but are not limited to such items as case advertising, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

#### Indirect expenses ("Category 2 disbursements")

It is normal practice to also charge the following indirect disbursements ("Category 2 disbursements" as defined by SIP 9) to the case, where appropriate.

#### Postage and stationery circulars to creditors

Headed paper	25p per sheet	Envelopes	25p each
Photocopying	6p per sheet	Postage	Actual cost

**Meeting Costs** Use of Meeting Room is charged at £150 per session

#### Storage and Archiving

We use a commercial archiving company for storage facilities for company's records and papers. This is recharged to the estate at the rate of £10 per box per quarter, and includes a small charge to cover the administration costs of maintaining the archiving database and retrieval of documents. We also use our own personnel and vehicle for collection of books and records for which we charge £30 per hour.

**Mileage** incurred as a result of any necessary travelling is charged to the estate at the HM Revenue & Customs approved rate, currently 45p per mile.