

AM10

Notice of administrator's progress report



Companies House

WED SATURDAY



A10 *A8AKEC0H* 27/07/2019 #291
COMPANIES HOUSE
A28 *A89FI1SI* 10/07/2019 #59
COMPANIES HOUSE

1 Company details

Company number 0 5 7 7 6 8 9 4

Company name in full Barnsdale Hills Limited formerly Ingenious Film Partners 3
Limited

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

2 Administrator's name

Full forename(s) Lloyd Edward

Surname Hinton

3 Administrator's address

Building name/number Allan House

Street 10 John Princes Street

Post town London

County/Region

Postcode W 1 G 0 A H

Country

4 Administrator's name ①

Full forename(s)

Surname

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

5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

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

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d	1	d	2	m	1	m	2	y	2	y	0	y	1	y	8
To date	d	1	d	1	m	0	m	6	y	2	y	0	y	1	y	9

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X 

X

Signature date	d	0	d	8	m	0	m	7	y	2	y	0	y	1	y	9
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Barnsdale Hills Limited formerly Ingenious Film Partners 3 Limited
(In Administration)
Administrator's Summary of Receipts & Payments

Statement of Affairs £		From 12/12/2018 To 11/06/2019 £	From 12/12/2018 To 11/06/2019 £
5,402,450.00	SECURED ASSETS Investments	NIL NIL	NIL NIL
(5,402,450.00)	SECURED CREDITORS Chargeholder	NIL NIL	NIL NIL
6,382.00	ASSET REALISATIONS Cash at Bank	NIL NIL	NIL NIL
(3,000.00)	UNSECURED CREDITORS Ingenious Media Investments Limited	NIL	NIL
(3,773.28)	Ingenious Media Limited	NIL NIL	NIL NIL
(1.00)	DISTRIBUTIONS Ordinary Shareholders	NIL NIL	NIL NIL
(392.28)		NIL	NIL
	REPRESENTED BY		
			NIL

Note:

8 July 2019

Our Ref: LM/1048H/3.1

**ADMINISTRATOR'S PROGRESS REPORT TO CREDITORS
FOR THE SIX-MONTH PERIOD FROM 12 DECEMBER 2018 TO 11 JUNE 2019**

Dear Sirs

**Barnsdale Hills Limited (formerly Ingenious Film Partners 3 Limited) - In Administration
High Court of Justice Number 10272 of 2018**

1. EXECUTIVE SUMMARY

This is my report on the progress of the Administration of the Company for the six month period from 12 December 2018 to 11 June 2019.

2. STATUTORY INFORMATION

Company name:	Barnsdale Hills Limited
Formerly known as:	Ingenious Film Partners 3 Limited
Court name and reference:	High Court of Justice 10272 of 2018
Registered office:	4th Floor Allan House, 10 John Princes Street, London, W1G 0AH
Former registered office:	15 Golden Square, London, W1F 9JG
Registered number:	05776894
Administrator's name:	Lloyd Edward Hinton
Administrator's address:	4th Floor Allan House, 10 John Princes Street, London, W1G 0AH
Administrator's date of appointment:	12 December 2018
Appointed by:	The Company

As the Company had its only place of business at premises in the UK, the EC regulations apply, these proceedings are Main Proceedings as defined in Article 3 of the EC Regulation.

3. OBJECTIVES OF THE ADMINISTRATION AND THE ADMINISTRATOR'S STRATEGY FOR ACHIEVING THEM

As the Administrator of the Company, I am an officer of the Court, and must perform my duties in the interests of the creditors as a whole in order to achieve the purpose of the Administration, which is to achieve one of the three objectives set out in the insolvency legislation, namely to:

- (a) Rescue the Company as a going concern; or
- (b) Achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or
- (c) Realise property in order to make a distribution to one or more secured or preferential creditors.

Objective (a) could not be achieved as no purchaser could be found for the shares of the Company and the nature of the Company's trading and its financial circumstances meant that a Company Voluntary Arrangement was not appropriate.

As a result, I am seeking to achieve objective (b) for the Company which will be achieved, in the event that the tax case (detailed further below at Paragraph 4) with HM Revenue & Customs ("HMRC"), is not successful, or not wholly successful, by the Parent Company contributing an element of cash to the Company and provide all ongoing services to the Company without cost.

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. If I am unable to complete the Administration of the Company within 12 months then I will either apply to the Court, or seek a decision from the creditors to extend the duration of the Administration.

4. ADMINISTRATOR'S ACTIONS SINCE APPOINTMENT

I was appointed Administrator of the Company on 12 December 2018 by the Company. I immediately attended to my statutory duties which include notifying Companies House of my appointment, and advertising my appointment and the administration of the Company in the London Gazette. These are tasks that are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

Since I was appointed Administrator, I have gathered information regarding the Company and the ongoing tax case with HMRC.

Prior to Administration, the Company instructed Reynolds Porter Chamberlain LLP ("RPC") of Tower Bridge House, St Katherine's Way, London E1W 1AA and Brick Court Chambers of 7-8 Essex Street, London WC2R 3LD in relation to proceedings being brought by groups of claimants to which the Company is a defendant. Following my appointment, I confirmed that the Company would continue with the instructions. It should be noted that the Ingenious group will settle the legal costs in respect of the proceedings.

On 31 January 2019 I issued my proposals to creditors, which were subsequently approved.

Creditors will recall that the principal activity of the Company was as a corporate member of Ingenious Film Partners 3 LLP ("the LLP") a trading Limited Liability Partnership. The Company purchased its interest in the LLP with initial funding provided via a commercial distribution loan.

As a result of its investment in the LLP, the Company retains the right to drawings from the LLP, the majority of which must be used to repay the limited recourse loan received by the Company which financed its investment in the LLP. The drawings available to the Company are driven by the level of *film income received by the LLP from its exploitation of the films produced*. As film income for the LLP, and hence the level of drawings available to the Company, decreases over time from the release date of the films, it becomes increasingly uneconomic for the Company to incur its annual running costs when these costs are compared to the expected quantum of retained drawings.

As a result of utilising tax losses generated by film production activities, the Company received a notice from HMRC to make accelerated tax payments. The accelerated payments comprise two sources of liability. The first source of liability arises from the Partner Payment Notices ("PPN"), which HMRC have confirmed that they will not seek to collect until the application for a judicial review has been heard. The second source of liability arises from assessments to withdraw the benefit of group relief received, and HMRC have confirmed that these remain payable, subject to an internal HMRC decision to enforce collection.

The Ingenious companies had held discussions with HMRC over their ability to pay both the PPN liabilities and the liabilities arising from the assessments to withdraw the benefit of group relief. The Ingenious Companies made hardship claims to HMRC to request that the collection of the outstanding tax is not pursued. These requests were under consideration by HMRC for many months. Since the commencement of the Administration, correspondence has been received from HMRC, responding in part to the issues raised, a full response has not yet been received. HMRC request confirmation that I accept their claim in the Administration. I have acknowledged receipt of the claim, however, I am not currently adjudicating upon claims. This matter is ongoing and I will provide an update to creditors in my next report.

In order to achieve the objective of the Administration of the Company I will continue to liaise with the Ingenious group with regard to the ongoing tax case and in the event that the tax case is not successful, liaise with the parent company in order to ensure that they settle any associated costs of the proceedings.

I also completed my investigations and report on the conduct of the Directors' as required by the Company Directors Disqualification Act 1986 and further details are set out below at Paragraph 8.

5. RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 12 December 2018 to 11 June 2019 is attached at Appendix 1 from which creditors will note there have been no receipts or payments.

Creditors will note that as the Company is not registered for VAT, all transactions are shown inclusive of VAT where applicable. Any estate funds received will be held on an interest bearing account at Metro Bank Plc.

5.1 Assets Remaining to be Realised

5.1.1 Investments

As noted at paragraph 4 above, the Company retains the right to drawings from the LLP, the majority of which must be used to repay the limited recourse loan received by the Company which financed its investment in the LLP. The drawings available to the Company are driven by the level of film income received by the LLP from its exploitation of the films produced. I will seek advice in relation to the investment and security.

5.2 Assets Unable to be Realised

It was anticipated at the outset of the Administration that there may be an amount available to be realised in respect of Cash at Bank. After making enquiries of the Company's bankers it transpired that there was a zero balance on the Company bank account.

6. LIABILITIES

6.1 Secured Creditors

As reported above, the Company holds an interest in the LLP. The value of the investment is approximately £5,402,450. It should be noted that the investment is subject to fixed charges and the liability totals £5,402,450.

An examination of the Company's mortgage register held by the Registrar of Companies, shows that the Company has granted 9 outstanding charges registered at Companies House, the full details of which were provided with my Proposals to creditors dated 29 January 2019. It would appear that these are fixed charges over specific assets. The position is being reviewed and I will instruct Solicitors to review the position in due course.

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £600,000.

The Prescribed Part provisions will not apply.

6.2 Preferential Creditors

It was not anticipated that there would be any preferential creditor claims and I confirm no preferential claims have been received.

6.3 Non-preferential unsecured Creditors

The Company has two known intercompany creditors, who are owed a total of approximately £6,773.

7. DIVIDEND PROSPECTS

7.1 Secured creditors

The position regarding the LLP investment and the secured creditors is being reviewed and further information concerning any return to the secured creditors will be provided in my next report to creditors.

7.2 Non-preferential unsecured creditors

At this stage it does not appear that there will be a return to unsecured creditors.

8. INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. Specifically, I recovered and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the 24 months prior to the Administration of the Company from the Company's bankers; and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the Administration and made enquiries about the reasons for the changes.

There were no matters that justified further investigation in the circumstances of this appointment.

Within three months of my appointment as Administrator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

9. PRE-ADMINISTRATION COSTS

On 19 February 2019 the following pre-administration costs as detailed in my Proposals were approved by the creditors by correspondence;

- The pre-Administration fixed fee of £5,000 plus VAT.
- The costs incurred by Brecher LLP of £3,000 plus VAT

It was decided by the creditors of the connected companies Langreave Limited (in Administration) and Cradgrove Limited (in Administration) that the above fees would be paid from those companies in Administration as there were unlikely to be sufficient realisations to enable payment from the Company. The fees have been paid.

10. ADMINISTRATOR'S REMUNERATION

On 19 February 2019, Company creditors voted on decisions by correspondence that my remuneration be approved on a time cost basis, based on a fees estimate of £49,258. My total time costs from 12 December 2018 to 11 June 2019 amount to £12,387 representing 39 hours and 30 minutes of work at a blended charge out rate of £314 per hour. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £332 in my fees estimate.

A schedule of my time costs incurred to 11 June 2019 is enclosed.

As at 11 June 2019 I do not anticipate that the total time costs will exceed the total estimated remuneration I set out in my fees estimate when my remuneration was authorised by the creditors.

Whilst the fees were authorised by creditors, it was also agreed, by the creditors of Langreave Limited (in Administration) and Cradgrove Limited (in Administration), that the time costs in respect of the Company could be paid by those companies in Administration.

A number of the tasks listed in the fee estimate provided to creditors with my Proposals will span three connected companies so it is anticipated that the total cost will be less than the combined fee quotes.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Administrators' Fees' also published by R3, together with an explanatory note which shows Insolve Plus Ltd's fee policy are available at the link <http://www.insolveplus.com/services/creditors-guides/>.

Please find attached a copy of the Insolve Plus Charging and Disbursement Recovery Policy, which was updated with effect from 1 June 2019 to reflect increased hourly charge out rates.

Charge out rates have increased as follows:-

Grade of Staff	New Rate from 01.06.19	Old rate
Directors	£450 - £595	£495
Associate Directors	£450	£375
Managers	£350	£350
Senior Administrators	£250	£250
Administrators	£175	£175
Cashiers	£125	£125
Office Junior	£75	£75

11. ADMINISTRATOR'S EXPENSES

11.1 Category 1 Disbursements

I have incurred total expenses of £182 inclusive of VAT during the period covered by this report as follows.
I have not yet drawn any expenses.

Type of expense	Amount incurred/ accrued in the reporting period
Statutory Advertising	£67
Specific Bond	£115
Total	£182

11.2 Category 2 Disbursements

The creditors will note that during the course of the Administration no Category 2 Disbursements have been incurred.

12. PROFESSIONAL ADVISORS APPOINTED

I have used the following professional advisors since my appointment as Administrator:

Professional Advisor	Nature of Work	Fee Arrangement
Brick Court	Legal advice	Time costs
RPC	Legal advice	Time costs

The choice of professionals was based on my perception of their experience and ability to perform this type of work having previously acted for the Company and the complexity and nature of the assignment. It should be noted that the legal costs in relation to the proceedings will be met by the Ingenious group.

13. FURTHER INFORMATION

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 Administrator'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.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrator'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.

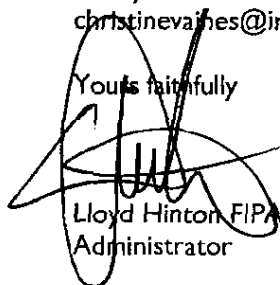
To comply with the Provision of Services Regulations, some general information about Insolve Plus Ltd can be found at <http://www.insolveplus.com/about-us/>.

14. SUMMARY

The Administration will remain open until the following matters have been finalised; the investment and secured liability position, and the position concerning the claim and appeal concerning HM Revenue & Customs as detailed above. I estimate that this will take approximately 12 months, and once these matters have been finalised the Administration will cease and my files will be closed, or the Administration will be converted to a Liquidation, as approved in the proposals.

If creditors have any queries regarding the conduct of the Administration, or if they require hard copies of any of the documents made available on line, they should contact Christine Vaines by email at christinevaines@insolveplus.com, or by phone on 020 7495 2348.

Yours faithfully



Lloyd Hinton FIPA
Administrator

The affairs, business and property of the Company are being managed by the Administrator, Lloyd Edward Hinton. The Administrator acts as an agent of the Company and contract without personal liability.

Barnsdale Hills Limited formerly Ingenious Film Partners 3 Limited
(In Administration)
Administrator's Summary of Receipts & Payments

Statement of Affairs £		From 12/12/2018 To 11/06/2019 £
	SECURED ASSETS	
5,402,450.00	Investments	NIL
		NIL
	SECURED CREDITORS	
(5,402,450.00)	Chargeholder	NIL
		NIL
	ASSET REALISATIONS	
6,382.00	Cash at Bank	NIL
		NIL
	UNSECURED CREDITORS	
(3,000.00)	Ingenious Media Investments Limited	NIL
(3,773.28)	Ingenious Media Limited	NIL
		NIL
	DISTRIBUTIONS	
(1.00)	Ordinary Shareholders	NIL
		NIL
(392.28)		NIL
	REPRESENTED BY	
		NIL

Time Entry - SIP9 Time & Cost Summary

1048H - Barnsdale Hills Limited formerly Ingenious Film Partners 3 Limited
Project Code: POST
From: 12/12/2018 To: 11/06/2019

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	4.40	10.20	15.50	1.20	31.30	9,105.50	290.91
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	2.30	0.70	0.00	0.00	3.00	1,403.50	467.83
Investigations	2.50	0.20	0.70	0.50	3.90	1,545.00	396.15
Realisation of Assets	0.00	0.30	1.00	0.00	1.30	332.50	255.77
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	9.20	11.40	17.20	1.70	39.50	12,386.50	313.58
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

1. Administration

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up electronic case files
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing annual progress reports to creditors and members.
- Filing returns at Companies House.
- Issuing the Administrators Proposals.

1. Creditors

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.
- Reviewing proofs of debt received from creditors
- Making further investigations in relation to the secured creditor position.

2. Investigations

- Submit an online return on the conduct of the directors as required by the Company Directors Disqualification Act.

Insolve Plus Limited

Insolvency Assignment Charging and Disbursement Recovery Policy

Fixed fee and percentages of realisations and distributions

Where the approved basis of remuneration is as a fixed fee and/or on a percentage of realisations and distributions, the charges are applied as follows, unless otherwise specified and approved;

Fixed fee basis

There are certain tasks that have to be undertaken in nearly every insolvency assignment, namely Administrative duties and dealing with Creditors. Although they are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, they do not produce any direct benefit for creditors, but still have to be carried out.

Administration: This represents the work that is involved in the routine administrative functions of the case by the Office Holder and their staff, together with the control and supervision of the work done on the case by the Office Holder (and their managers). It does not give direct financial benefit to the creditors, but has to be undertaken by the Office Holder to meet their requirements under the Insolvency legislation and the Statements of Insolvency Practice, which set out the required practice that Office Holders must follow.

Creditors: Employees - The Office Holder needs to deal with the ex-employees in order to ensure that their claims are processed appropriately by the Redundancy Payments Service (RPS). That work will include dealing with queries received from both the ex-employees and the RPS to facilitate the processing of the claims. The Office Holder is required to undertake this work as part of his statutory functions.

Claims of creditors - the Office Holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The Office Holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The Office Holder is required to undertake this work as part of his statutory functions.

This Firm's past time records have been reviewed and after taking into account the complexity of the insolvency assignment, concluded that a fixed fee of £18,500 plus VAT is necessary to cover administrative work. This fee is to be drawn from the asset realisations at the Office Holder's discretion, as and when funds are available. A fixed fee of £18,500 plus VAT for undertaking that work in the insolvency assignment is being sought. This demonstrates why the fixed fee is expected to produce a fair and reasonable reflection of the work that is anticipated to be necessarily and properly undertaken. Information about the work that will be undertaken for the fixed fee is listed below. Please note that the list includes generic tasks that may not be necessary every time, but arise in a typical case and are expected to be necessary in this case. If any one task is not required it would not make a material difference to the amount of work done for which approval of the fixed fee is being sought.

- Dealing with anti money laundering compliance requirements
- Undertaking statutory notifications to Companies House and Creditors, including gazetting the Office Holders appointment
- Arranging the statutory advertising of the appointment
- Case planning and devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case
- Obtaining a specific penalty bond
- Reviewing adequacy of specific penalty bond on a regular basis
- Setting up and maintaining case files
- Setting up the case on the Office Holders electronic case management system ("IPS") and entering data
- Convening and holding meetings of members and creditors where applicable
- Dealing with decision making procedure
- Dealing with all routine correspondence and emails relating to the case

- Opening, maintaining and managing Office Holders estate bank account
- Creating, maintaining and managing Office Holders cash book
- Undertaking regular reconciliations of the estate bank account(s)
- Undertaking regular reviews of the progress of the case
- Filing returns at Companies House
- Preparing and filing Corporation Tax return
- Preparing and filing VAT returns
- Case reviews at one month, three months, six months and thereafter every six months
- Overseeing and reviewing the work on the case by the case administrators
- Attending to correspondence with creditors and others, including emails
- Attending to telephone calls with creditors
- Maintaining creditor information
- Attending to correspondence and telephone calls with directors and shareholders
- Attending to correspondence and telephone calls with other parties including HM Revenue & Customs
- Statutory investigations into the affairs of the Company and dealings of the directors
- Preparation and submission of statutory reports to the Secretary of State
- Preparing, reviewing and issuing statutory reports to creditors and members
- Obtaining information from the case records about employee claims
- Completing documentation for submission to the Redundancy Payment Office
- Corresponding with the Redundancy Payments Office regarding employee claims
- Dealing with all employee matters, including the Redundancy Payments Service and pension schemes
- Corresponding with employees in respect of their claims
- Ascertaining the existence of a pension scheme
- Submitting the relevant pension notification (if applicable)
- Arranging for the winding up of the pension scheme (if applicable)
- Recovering and listing the books and records of the case
- Conducting an initial investigation with a view to identifying potential assets by seeking and obtaining information from relevant third parties such as banks, accountants, solicitors, and others
- Reviewing the books and records of the case to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors
- Obtaining closure clearance from government departments such as HMRC
- Preparing and issuing final report
- Holding final meetings and preparing minutes, where applicable
- Preparing and sending final returns to Companies House/the Court
- Archiving case records and books and records
- Filing final returns at Companies House (if applicable)

The above list is not exhaustive, but provides an overview of the work anticipated to be carried out in the insolvency assignment, which is either required by Statute or necessary to perform the basic duties of an Office Holder, but may not necessarily provide a direct financial benefit to creditors.

If the case remains open for more than two years an additional fee of £5,000 plus VAT will be charged, per annum, from the third year onwards, to cover the administrative and statutory work required to keep the case open.

Percentage basis:

There are certain tasks that are carried out where there are assets to recover. They may produce a direct benefit for creditors, but are subject to the costs of the proceedings generally. The work is undertaken to protect and then realise the assets, initially at this Practice's own cost, suffering the loss if any asset is not recoverable. If assets are recovered, the Office Holder's costs are first recovered and then any balance is distributed. A percentage basis is being sought as it reflects the risk being taken, the nature of the assets involved, the complexity of the insolvency assignment and shares the anticipated benefit with the creditors.

The Office Holder will, therefore, be seeking fees based on the percentages of asset realisations listed below (net of any fixed charges or finance). Creditors should note that these charges will not be levied on the first £18,500 of realisations if the Office Holder has drawn a fixed fee as detailed above. The percentage proposed is expected to produce a fair and reasonable fee to reflect the work that is necessarily and properly undertaken to realise assets.

• Equity in Freehold / Leasehold Property	25%
• Plant & Machinery / Fixtures & Fittings / Stock	25%
• Goodwill / Intellectual Property Rights / Investments	25%
• Book Debts / Work in Progress / Rent Deposit	20%
• Equity in Motor Vehicles	20%
• Cash at Bank / Funds held by reporting accountant	15%
• HM Revenue & Custom Refunds	15%
• In relation to any other asset recovery arising from the Office Holders investigations (e.g. antecedent transaction recoveries)	50%

The Office Holder will in addition be seeking remuneration as a percentage of the value of total distributions to creditors (excluding fixed charge creditors) (to be deducted from the total distribution including Prescribed Part payments), as listed below. This reflects the additional work on creditors claims to facilitate a distribution to creditors

• The first £20,000	25%
• The next £80,000	15%
• Over £100,000	10%

The work undertaken on a percentage basis includes, but is not limited to, the following:

- Arranging suitable insurance over assets
- Regularly monitoring the suitability and appropriateness of the insurance cover in place
- Corresponding with debtors and attempting to collect outstanding book debts
- Liaising with banks regarding the closure of accounts
- *Instructing agents to value known assets*
- Disposing of the business and assets
- Dealing with Retention of Title claims
- Liaising with agents with regard to the realisation of assets
- Instructing solicitors to assist with the realisation of assets
- Registering cautions in respect of properties
- Instructing solicitors to assist with the sale of leasehold/freehold properties
- Obtaining details from secured creditors in respect of debts secured over assets
- Liaising with secured creditors in respect of the realisation of charged assets
- Determining ownership of assets such as properties and vehicles
- Issuing notice of intended dividend and placing an appropriate notice
- *Reviewing and adjudicating on proofs of debt received from creditors*
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims
- Calculating and paying dividends
- Paying tax deducted from dividends paid to employees

Time cost basis

Where the approved basis of remuneration is on a time costs basis, work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Details of charge-out rates effective from 1 June 2019 are as follows:

Directors	£450 - £595
Associate Directors	£450
Managers	£350
Senior Administrators	£250
Administrators	£175
Cashiers	£125
Office Junior	£75

Disbursement recovery

Category 1 disbursements

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by Insolve Plus and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred. Category 1 disbursements can be drawn without prior approval.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing and room hire. Document storage and associated services is charged at cost.

If an asset agent is required on a case it is anticipated that they would be paid approximately £1,000 plus VAT for providing a valuation report, but this may vary according to the size and complexity of the assets. If that agent is then required to assist with the sale of those assets it would be anticipated that the agent would receive approximately 10% of gross realisations. In the event that the office holder instructs a debt collection agent it is anticipated that the agent will be paid a percentage of debtor realisations. This percentage will vary from approximately 5% to 25% depending upon the age and complexity of the debt. If the Office Holder is required to instruct a solicitor it is anticipated that the solicitor will charge on a time cost basis which would be monitored by the office holder and disclosed to creditors in future progress reports.

Category 2 disbursements

Category 2 disbursements include elements of shared or allocated costs incurred by Insolve Plus and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. Category 2 disbursements may be drawn if they have been approved in the same manner as an Office Holder's remuneration. When seeking approval, an Office Holder should explain, for each category of expenses, the basis on which the charge is being made. Examples of Category 2 disbursements are photocopying, all business mileage, internal room hire and internal storage.

The current levels of Category 2 disbursements recovered by Insolve Plus are as follows:-

Room hire (internal)	£150
Virtual meeting	£100
Photocopying/scanning (internal)	15p per side
Business mileage	45p per mile

In certain circumstances it may be necessary for Insolve Plus Limited, or a third party, to fund certain costs and or disbursements of the insolvency assignment. These may include, but are not limited to, statutory bond, statutory advertising, legal fees and disbursements, agents' fees and disbursements, storage and site clearance. In the event that Insolve Plus Limited, or a third party, does agree to fund these costs and disbursements and the funds remain outstanding for at least six months from the date the monies were paid out, Insolve Plus Limited, or the relevant third party, can charge a 100% uplift to the assignment in question when funds become available. This charge is at the discretion of Insolve Plus Limited or the third party. It represents a reasonable charge when considering the risks associated with funding insolvent estates. It is in line with, or less than, comparable funding arrangements such as disbursement funding policies or conditional fee arrangements. It means that asset recoveries can be made in circumstances which would otherwise not be economic. For the avoidance of doubt, if the funds are available in the insolvent estate to settle the relevant costs within the six month time period, but the Office Holder/Insolve Plus Limited decided not to settle the costs at that time, Insolve Plus Limited would not be entitled to the uplift as the funds were available, but they have chosen not to draw them.

All costs are subject to VAT, where applicable. The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.

1 June 2019

Rule 18.9 – Creditors' and members' requests for further information in administration, winding up and bankruptcy

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

(a) a secured creditor;

(b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);

(c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;

(d) any unsecured creditor with the permission of the court; or

(e) any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—

(a) providing all of the information requested;

(b) providing some of the information requested; or

(c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

(a) the time or cost of preparation of the information would be excessive; or

(b) disclosure of the information would be prejudicial to the conduct of the proceedings;

(c) disclosure of the information might reasonably be expected to lead to violence against any person; or

(d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

(a) the office-holder giving reasons for not providing all of the information requested; or

(b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

Rule 18.34 – Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
- (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
- (c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—

- (a) a secured creditor,
- (b) an unsecured creditor with either—
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
- (c) in a members' voluntary winding up—
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

AM10

Notice of administrator's progress report



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 **Christine Vaines**

Company name **Insolve Plus Ltd**

Address **Allan House**
10 John Princes Street

Post town **London**

County/Region

Postcode **W 1 G 0 A H**

Country

DX

Telephone **020 7495 2348**



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