

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1	Company details		→ Filling in this form Please complete in typescript or in bold black capitals.
Company number	0 7 2 2 3 8 2 4		
Company name in full	Phoenix Helicopter Academy Limited		
2	Liquidator's name		
Full forename(s)	Craig James		
Surname	Povey		
3	Liquidator's address		
Building name/number	8th Floor		
Street	One Temple Row		
Post town	Birmingham		
County/Region			
Postcode	B 2 5 L G		
Country			
4	Liquidator's name ①		
Full forename(s)	Richard		① Other liquidator Use this section to tell us about another liquidator.
Surname	Toone		
5	Liquidator's address ②		
Building name/number	31st Floor		② Other liquidator Use this section to tell us about another liquidator.
Street	40 Bank Street		
Post town	London		
County/Region			
Postcode	E 1 4 5 N R		
Country			

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 2	^d 4	^m 0	^m 2	^y 2	^y 0	^y 2	^y 1
To date	^d 2	^d 3	^m 0	^m 2	^y 2	^y 0	^y 2	^y 2

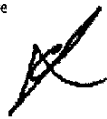
7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X 

X

Signature date	^d 1	^d 9	^m 0	^m 4	^y 2	^y 0	^y 2	^y 2
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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 **Scarlet Williams**Company name **Begbies Traynor (Central) LLP**Address **8th Floor****One Temple Row**

Post town

County/Region **Birmingham**Postcode **B 2 5 L G**

Country

DX

Telephone **0121 200 8150****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

Phoenix Helicopter Academy Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 24/02/2021 To 23/02/2022 £	From 24/02/2021 To 23/02/2022 £
350,000.00	SECURED ASSETS Aircraft	NIL NIL	NIL NIL
(350,000.00)	SECURED CREDITORS Close Brothers Limited	NIL NIL	NIL NIL
8,000.00	HIRE PURCHASE Motor Vehicles	8,200.00	8,200.00
(3,285.00)	Santander Bank plc	(3,620.81)	(3,620.81)
8,100.00	Motor Vehicles	8,200.00	8,200.00
(3,947.00)	PCF Credit	(4,872.52)	(4,872.52)
		7,906.67	7,906.67
	ASSET REALISATIONS		
605.40	Bank Interest Gross	2.42	2.42
2,000.00	Book Debts	NIL	NIL
800.00	Bowser	3,000.00	3,000.00
5,000.00	Furniture & Equipment	500.00	500.00
350.00	Modular Building	20,000.00	20,000.00
	Motor Vehicles	400.00	400.00
		23,902.42	23,902.42
	COST OF REALISATIONS		
	Agents/Valuers Fees (1)	3,850.00	3,850.00
		(3,850.00)	(3,850.00)
(1.00)	PREFERENTIAL CREDITORS		
(4,715.85)	Employee claims	NIL	NIL
(15,058.35)	HM Revenue & Customs	NIL	NIL
(1.00)	HM Revenue & Customs - VAT	NIL	NIL
	Pension Schemes	NIL	NIL
		NIL	NIL
(66,477.11)	UNSECURED CREDITORS		
(21,675.00)	Banks/Institutions	NIL	NIL
(1.00)	Director claims (Redundancy & Notice)	NIL	NIL
(102,597.25)	Employee claims (Redundancy & Notice)	NIL	NIL
(240,682.63)	Loans	NIL	NIL
	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
(1,500.00)	DISTRIBUTIONS		
(277,500.00)	Ordinary Shareholders	NIL	NIL
	Share Premium Account	NIL	NIL
		NIL	NIL
(712,585.79)		27,959.09	27,959.09
	REPRESENTED BY		
	Interest Bearing Bank Account		35,249.09
	Vat Payable		(8,060.00)
	Vat Receivable		770.00
			27,959.09

Phoenix Helicopter Academy Limited (In Creditors' Voluntary Liquidation)

Progress Report

Period: 24 February 2021 to 23 February 2022

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

Contents

- ❑ Interpretation
- ❑ Company information
- ❑ Details of appointment of liquidators
- ❑ Progress during the period
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- ❑ Liquidators' expenses
- ❑ Assets that remain to be realised and work that remains to be done
- ❑ Other relevant information
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- ❑ Conclusion
- ❑ Appendices
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 - 2. Liquidators' time costs and expenses
 - 3. Statement of Liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Phoenix Helicopter Academy Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 24 February 2021.
"the liquidators", "we", "our" and "us"	Craig Povey of Begbies Traynor (Central) LLP, 8th Floor, One Temple Row, Birmingham, B2 5LG and Richard Toone of Begbies Traynor (London) LLP, 31st Floor, 40 Bank Street, London, E14 5NR
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	Not Applicable
Company registered number:	07223824
Company registered office:	8th Floor, One Temple Row, Birmingham, West Midlands, B2 5LG
Former trading address:	Hangar 4, Solent Airport, Spitfire Way, Lee-on-the-Solent, Hampshire, PO13 9GA

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	24 February 2021
Date of liquidators' appointment:	24 February 2021
Changes in liquidator (if any):	None

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 24 February 2021 to 23 February 2022.

Receipts

Motor Vehicles

The sum of £16,800.00 has been realised in relation to the three motor vehicles in possession of the Company at the date of our appointment. However, once the relevant hire purchase charges have been applied to offset these amounts there is a consequential asset realisation at a value of £8,306.67.

Furniture and Equipment

The total sum of £500 has been realised by way of furniture and equipment held by the Company at the relevant trading address.

Bowser

There has been an asset realisation in the sum of £3,000.00 in relation to the Bowser owned by the Company.

Bank Interest Gross

The sum of £2.42 has been accrued as interest earned on the funds held in the liquidation bank account.

Modular Building

The modular building owned by the Company has been sold for the benefit of the estate in the sum of £20,000.00.

Payments

Agents/Valuers Fees

The total sum of £3,850.00 (plus VAT) has been paid to MGR Appraisals for their services in assisting in the matter of valuing and then overseeing the sale of the aforementioned assets.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details>. Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2.

General Case Administration and Planning

General case administration incorporates different categories such as cashiering, general case administration (filing, creditor correspondence) and dealing with sundry issues as and when they arise. This time cost also comprises maintenance of case files, undertaking case reviews incorporating compliance checks and dealing with general queries. These items are not necessarily financially beneficial to any class of creditor but are the requirements of the statutory regulations / The Insolvency Act and Rules.

Compliance with the Insolvency Act, Rules and Best Practice

Other work undertaken during the period includes complying with our statutory obligations and best practice guidance to include ensuring there is sufficient bond insurance in place, undertaking regular bond reviews and filing relevant documentation at Companies House. These items are not necessarily beneficial to any class of creditor but are requirements of the Statutory Regulations and the Insolvency Act and Rules.

Investigations

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business, Energy and Industrial Strategy. My investigations into the affairs of the Company remain ongoing pending the receipt of the relevant accounting records to clarify the Company's trading practices.

Realisation of Assets

Prior to my appointment as Liquidator of the Company a desktop valuation was requested and carried out following the instruction of MGR Appraisals.

The duly appointed agents advised that the motor vehicles held an in-situ value of £20,650.00 and an ex-situ value of £16,450.00. Consequentially, the sale of the assets was in line with that of the ex-situ estimation resulting in an asset realisation of £16,800.00. The agents then liaised with the relevant security holders over two of the three motor vehicles and arranged for the offset payments to take place in the total of £8,493.33. This led to an asset realisation in the sum of £8,306.65 in relation to motor vehicles for the benefit of the estate.

The Directors initially advised that the Company held assets by way of furniture and equipment. Within the aforementioned desktop valuation, the Liquidators were advised that the assets held an in-situ valuation in the sum of £1,200.00 and an ex-situ value of £500.00. The furniture and equipment later sold in the sum of £500.00 for the benefit of the estate.

It initially came to the attention of the Liquidators that the Company held a Bowser. MGR Appraisals originally provided the Liquidators with an in-situ value of the asset at £4,000.00 and an ex-situ value of £2,000.00. The sale resulted in a reasonable asset realisation in the sum of £3,000.00.

Finally, the Directors of the Company initially advised that the Company held a fixed asset by way of a modular building relevant to that of the trading premises. This asset was originally assigned an in-situ valuation of £40,000.00 and an ex-site valuation of £5,000.00. Given the significant disparity between these values, for the purposes of the Statement of Affairs, the latter valuation was included. However, following our appointment, during the consequential asset sale, £20,000.00 was realised for the benefit of the estate.

Dealing with all Creditors' Claims (including Employees), Correspondence and Distributions

Correspondence has been sent to all known creditors notifying them of the appointment of Liquidators. Furthermore, queries raised by creditors have been dealt with as and when they have arisen. We have also incurred considerable time costs liaising with the Company's pension provider in order to identify any

contributions which remained outstanding on appointment and in making the necessary arrangements to make a claim to the RPS, where applicable. This work and the time costs incurred has been for the financial benefit of the former employees.

Other Matters which includes Seeking Decisions from Creditors (via Deemed Consent Procedure and/or Decision Procedures, Tax, Litigation, Pensions and Travel

During the period we have liaised with HM Revenue and Customs to notify them of the appointment. Notification of appointment to HM Revenue and Customs is a requirement of statute. We have also sent notifications to the Company's pension provider, the Pension Protection Fund and the Pensions Regulator.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the Directors' Statement of Affairs.

Secured Creditors

The Company's aircrafts, comprising of three helicopters, were purchased on finance with Close Brothers Limited. The aircrafts were valued by MGR Appraisals at £350,000.00. These assets were uplifted by the Secured Creditor upon appointment under the terms of their security

The outstanding liability to Close Brothers Limited has not been confirmed, however, we have been advised that there will be a shortfall of approximately £20,000 following the sale of the three aircrafts surplus after settling the finance agreements.

Preferential Creditors

Preferential claims of employees for arrears of wages, salary and holiday pay were not originally possible to estimate as there was insufficient information. However, I can now confirm that the preferential claims are estimated at £9,247.10.

Secondary Preferential Creditors

Further to the changes to the Finance Act 2020, HM Revenue & Customs are now able to claim secondary preferential status for certain liabilities. Taxes owed by the business to HMRC comprising of VAT, PAYE Income Tax, Employee National Insurance Contributions, Student loan deductions and Construction Industry Scheme deductions fall under the secondary preferential status.

The secondary preferential claim of HM Revenue & Customs is estimated at £19,774.20.

Unsecured Creditors

Unsecured creditors were estimated at £415,082.62.

On the basis of realisations to date we estimate an outcome for each class of the Company's creditors as follows:

Secured Creditors

As previously outlined within the body of this report, we have been advised that there will be a shortfall following the sale of the three aircrafts surplus after settling the finance agreements. Therefore, although the secured assets have been returned to the relevant secured creditor for the sale to be offset against the outstanding sums, it would appear that these realisations will be insufficient to discharge their indebtedness in full.

Preferential Creditors

Based upon realisations to date and estimated future realisations, it is anticipated that there will be insufficient funds available to enable a dividend to be paid to the preferential creditors.

Secondary Preferential Creditors

Based upon realisations to date and estimated future realisations, there will be insufficient funds available to enable a dividend to be paid to HM Revenue and Customs as secondary preferential creditor.

Prescribed Part for Unsecured Creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for 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 debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of *net property*;
- ☐ 20% of *net property* thereafter;
- ☐ Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if:

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

We intend to apply to court, in accordance with Section 176A(5) of the Act, for an order not to distribute the prescribed part to the unsecured creditors on the grounds that the cost of making a distribution would be disproportionate to the benefits.

Unsecured Creditors

Based upon realisations to date and estimated future realisations it is anticipated there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors.

6. REMUNERATION & EXPENSES

Remuneration

Pre-Appointment Costs

A fixed fee of £5,000.00 plus VAT plus disbursements has yet to be agreed by creditors.

Liquidators' Fees

Our time costs for the period from 24 February 2021 to 23 February 2022 amount to £31,131.50 which represents 164.40 hours at an average rate of £189.36 per hour.

The following further information in relation to our time costs and expenses is set out at Appendix 2:

- ☐ Time Costs Analysis for the period 24 February 2021 to 23 February 2022
- ☐ Begbies Traynor (Central) LLP's charging policy

To 23 February 2022, no sums have been drawn on account of our remuneration.

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case and gives the total costs and average hourly rate charged for each work type.

As can be seen from the information above, we have yet to agree the terms of our remuneration. For the avoidance of any doubt, we have not drawn any remuneration.

The reasons why the level of remuneration is to be agreed are as follows:

- Increased costs with regards to investigations into the trading strategies of the Company.
- Increased costs being charged to general administration as a consequence of the case remaining open longer than anticipated.
- Increased costs being charged to the finalising of the position with the pension.
- Time anticipated to be spent concluding the liquidation.

In light of the above, we are obliged to provide creditors with details of the work that we propose to undertake along with details of the estimated costs of that work. This information appears at Appendix 3. We do not anticipate that we will need to seek further approval following the proposed remuneration.

We are therefore seeking creditors' approval for our remuneration by way of a Decision Procedure via correspondence and a Notice providing further information about the decisions being sought by correspondence together with a Voting Form have been provided separately.

Work Undertaken prior to Appointment

In addition to the post appointment time costs detailed in the Time Costs Analysis, the decisions of creditors on the nomination of liquidators were approved by the creditors on 24 February 2021.

Expenses

To 23 February 2022, the following expenses have been incurred:

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Electronic Filing Fee	13.00
Bonding	25.00
Printing	89.19
Postage	2.26
Storage	733.13

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

A cumulative statement of the expenses incurred during the period of this progress report is attached at Appendix 3.

8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

The assets of the Company consisted of aircrafts, motor vehicles, furniture and equipment, book debts, bowser and a modular building. At this stage in the liquidation, we have the following assets left to realise:

- ☐ Book Debts

There remain outstanding book debts albeit uncertain regarding their recoverability at this stage.

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General Case Administration and Planning

Case administration and planning will continue for the duration of this assignment. This involves dealing with general correspondence and continuing file management. In addition, regular cashiering tasks and banking will continue to be undertaken for the duration of the case. There is no financial benefit to creditors as this is part of general administration.

Compliance with the Insolvency Act, Rules and Best Practice

We will continue to regularly conduct compliance and bond reviews to ensure that sufficient insurance is held and to ensure that statutory requirements are met. Statutory progress reports are also prepared during the liquidation to provide updates to all creditors, together with a final report which will be prepared at the conclusion of the liquidation.

Investigations

The Joint Liquidators investigations into the Company are ongoing.

Realisation of Assets

As detailed earlier in this report, the work into realising the outstanding book debts are ongoing.

Dealing with all Creditors' Claims (including Employees), Correspondence and Distributions

Time costs will be incurred when dealing with any queries raised by creditors, which will be dealt with in a timely manner.

Other Matters which includes Seeking Decisions from Creditors (via Deemed Consent Procedure and/or Decision Procedure, Tax, Litigation, Pensions and Travel

We shall continue to prepare and submit post appointment tax returns and we shall also seek tax clearance from HMRC to close the liquidation when appropriate.

How much will this further work cost?

The estimated cost of this further work is detailed in Appendix 2.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as set out in the statement of expenses attached at Appendix 3.

9. OTHER RELEVANT INFORMATION

Connected Party Transactions

We have not been made aware of any sales of the Company's assets to connected parties.

Use of Personal Information

Please note that in the course of discharging our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

10. CREDITORS' RIGHTS

Right to Request Further Information

Pursuant to Rule 18.9 of the Rules, 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, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an Application to Court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.

A handwritten signature in black ink, appearing to be 'C J Povey', written in a cursive style.

C J POVEY
Joint Liquidator

Dated: 15 April 2022

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 24 February 2021 to 23 February 2022

Phoenix Helicopter Academy Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 23/02/2022

S of A £		£	£
	SECURED ASSETS		
350,000.00	Aircraft	NIL	NIL
	SECURED CREDITORS		
(350,000.00)	Close Brothers Limited	NIL	NIL
	HIRE PURCHASE		
8,000.00	Motor Vehicles	8,200.00	
(3,285.00)	Santander Bank plc	(3,620.81)	
8,100.00	Motor Vehicles	8,200.00	
(3,947.00)	PCF Credit	(4,872.52)	7,906.67
	ASSET REALISATIONS		
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605.40	Book Debts	NIL	
2,000.00	Bowser	3,000.00	
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5,000.00	Modular Building	20,000.00	23,902.42
	COST OF REALISATIONS		
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Uncertain	Director claims (Redundancy & Notice)	NIL	
(1.00)	Employee claims	NIL	NIL
	UNSECURED CREDITORS		
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(66,477.11)	Banks/Institutions	NIL	
(102,597.25)	Loans	NIL	
(21,675.00)	Director claims (Redundancy & Notice)	NIL	
(1.00)	Employee claims (Redundancy & Notice)	NIL	NIL
	DISTRIBUTIONS		
(1,500.00)	Ordinary Shareholders	NIL	
(277,500.00)	Share Premium Account	NIL	NIL
(712,585.79)			27,959.09

Phoenix Helicopter Academy Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 23/02/2022

S of A £	£	£
REPRESENTED BY		
Vat Receivable		770.00
Interest Bearing Bank Account		35,249.09
Vat Payable		(8,060.00)
		<hr/>
		27,959.09
		<hr/>

COSTS AND EXPENSES

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 24 February 2021 to 23 February 2022 and;
- c. The Liquidators estimate of the total fees they will incur.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the creditors' decision being made for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fee estimate creditors can see how we propose to be remunerated.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the basis of the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of their staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- ❑ *Category 1 expenses (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 expenses (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate £100 (London £150) per meeting;
- Car mileage is charged at the rate of 45 pence per mile;
- Storage of books and records (when not chargeable as a Category 1 disbursement) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates;

* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

Expenses which should be treated as Category 2 disbursements (approval required) – in addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements.

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 disbursements:

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Birmingham office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour)
	1 December 2018 until further notice
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Support	140

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

As detailed above, time is recorded in 6 minute units.

* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

SIP9 PHOENIX HELICOPTER ACADEMY LIMITED – Creditors Voluntary Liquidation – LPHOE67886.CVL Time Costs Analysis From 24/02/2021 To 23/02/2022

Staff Grade	Consent/Partner	Director	Senr Mng	Hzgr	Asst Mng	Senr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	2.3			2.1			8.6	24.7	2.8	40.5	5,441.50	134.36
Administration	0.2			2.9			3.4	18.0	2.7	27.2	4,607.50	169.39
Total for General Case Administration and Planning:	2.5			5.0			12.0	42.7	5.5	87.7	10,049.00	143.43
Compliance with the Insolvency Act, Rules and best practice				1.0			2.2			3.2	542.00	169.38
Appointment				0.2			0.2	0.2	1.7	2.3	412.00	179.13
Banking and Bonding												
Case Closure												0.00
Statutory reporting and statement of affairs							0.3			0.3	33.00	110.00
Total for Compliance with the Insolvency Act, Rules and best practice:				1.2			2.7	0.2	1.7	5.8	987.00	170.17
Investigations	1.1			6.4			3.5	17.6		28.6	5,605.00	202.97
GDCA and investigations				8.4			3.5	17.6		28.6	5,605.00	202.97
Total for investigations:	1.1											0.00
Realisation of assets												
Debt collection												
Property, business and asset sales	0.4			1.7			2.3	1.5		5.9	1,282.00	218.98
Retention of Title/Third party assets				0.3						0.3	60.00	300.00
Total for Realisation of assets:	0.4			2.0			2.3	1.5		6.2	1,342.00	222.90
Trading												0.00
Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions				0.3			0.5			0.8	156.50	199.13
Secured												
Others	2.1			18.3			4.5	15.3		40.2	9,630.00	244.53
Creditors committee												0.00
Total for Dealing with all creditors claims (including employees), correspondence and distributions:	2.1			18.6			5.0	15.3		41.0	9,988.50	243.82
Other matters which includes meetings, tax litigation, pensions and travel				0.3						0.3	103.50	345.00
Seeking opinions of creditors												0.00
Meetings				1.9			2.2	8.5	0.4	13.7	2,558.50	186.75
Other	0.7			0.3			0.2	0.3	0.2	1.1	258.00	234.55
Tax	0.1											0.00
Litigation												
Total for Other matters:	0.8			2.5			2.4	8.8	0.6	15.1	2,920.00	193.36
Total hours by staff grade:	6.9			35.7			27.9	86.1	7.8	164.4		
Total time cost by staff grade £:	3,158.00			11,816.00			4,069.00	11,016.50	1,092.00		31,131.50	
Average hourly rate £:	457.68	0.00	0.00	310.96	0.00	0.00	145.48	127.95	136.72			189.38
Total fees drawn to date £:											0.00	

THE LIQUIDATORS' ESTIMATE OF THE TOTAL FEES THAT THEY WILL INCUR

Further to the information set out in the report, the Liquidators anticipate that the following fees estimate will be incurred to conclusion of the liquidation. Please note that blended hourly rates have been used which take account of the various levels of staff that are likely to undertake each area of work. These can be seen in the average hourly rate column. Details of the hourly rates that will be charged for each level of staff working on the case form part of this appendix.

Details of the work that the liquidators and their staff propose to undertake	Hours	Time cost £	Average hourly rate £
General case administration and planning	87.70	13,017.31	148.43
Compliance with the Insolvency Act, Rules and best practice	7.80	1,327.33	170.17
Investigations	58.60	11,894.04	202.97
Realisation of assets	8.20	1,824.50	222.50
Dealing with all creditors' claims (including employees), correspondence and distributions	41.00	9,988.50	243.62
Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure or via Decision Procedures), tax, litigation, pensions and travel	23.10	4,467.08	193.38
Total hours	226.40		
Total time costs		42,518.76	
Overall average hourly rate £			187.80

Whilst the Liquidators propose to set their proposed fee at £42,518.76 based upon the anticipated costs of liquidation, it is anticipated that the fees drawn will be limited to the net funds available following the defrayment of the third party costs. The anticipated total time costs detailed above will be sufficient to cover the work which is detailed within the body of the report, and which falls under the following categories of work:

1. General case administration and planning
2. Compliance with the Insolvency Act, Rules and best practice
3. Investigations
4. Realisation of assets
5. Dealing with all creditors' claims (including employees), correspondence and distributions
6. Other matters which include eg. Seeking decisions from creditors via Deemed Consent Procedures or Decision Procedures / Tax / Litigation / Pensions / Travel / Other case specific

This fixed fee covers only the work to be undertaken in respect of the categories of work listed above. In the event that additional expenses are incurred, these will be disclosed separately.

Please refer back to the body of the report at Sections 6 and 8 for a more detailed explanation of the future work to be carried out and why this addition to our remuneration is being sought.

A more detailed explanation of the work that falls into the categories mentioned in the table above can be obtained from our website at <http://www.begbies-traynorgroup.com/work-details>.

We have arrived at this figure by considering the nature and complexity of the work that is necessary to conclude the case, and we also believe that it is a fair and reasonable reflection of the same.

Dated: 15 April 2022

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Agents/Valuers Fees	MGR Appraisals	3,850.00	3,850.00	NIL
Electronic Filing Fee	InsolPoint	13.00	NIL	13.00
Bonding	CVR Global LLP	25.00	NIL	25.00
Printing	-	89.19	NIL	89.19
Postage	PostWorks	2.26	NIL	2.26
Storage	Total Data Management	733.13	NIL	733.13

NOTICE OF DECISIONS BEING SOUGHT TO BE MADE BY A DECISION PROCEDURE – BY CORRESPONDENCE

PHOENIX HELICOPTER ACADEMY LIMITED

(Registered number: 07223824) (In Liquidation) (“the Company”)

This notice is given pursuant to Section 246ZE of the Insolvency Act 1986 (“the Act”) and Rule 15.8 of Part 15 of the Insolvency (England and Wales) Rules 2016 (“the Rules”).

Office-holder details:

Craig Povey and Richard Toone, both of Begbies Traynor (Central) LLP were appointed as Joint Liquidators of the Company on 24 February 2021.

THE PROPOSED DECISIONS

Craig Povey (“the Convener”) is seeking that the following decisions be made by the Company’s creditors by correspondence:

1. *That the unpaid pre-appointment costs as detailed below be approved for payment as an expense of the liquidation.*
2. *That the joint liquidators’ remuneration be fixed by reference to the time properly given by them (as liquidators) and the various grades of their staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the winding up as set out in the fees estimate.*
3. *That the joint liquidators be authorised to draw expenses for services provided by their firm and/or entities within the Begbies Traynor group, in accordance with their firm’s policy, details of which are contained in the Annual Report.*
4. *Whether a creditors’ committee should be established if sufficient creditors are willing to be members of a committee and if so, who creditors’ wish to nominate for membership of the committee.*

ENSURING YOUR VOTES ON THE PROPOSED DECISIONS ARE COUNTED

In order for votes on the Proposed Decisions to be counted, a creditor must have delivered the Voting Form accompanying this notice, together with a proof in respect of their claim (unless a proof has already been submitted) to the Convener, whose contact details are below, on or before 23 May 2022 (“the Decision Date”), failing which their votes will be disregarded.

Appeal of Convener’s Decision

Pursuant to Rule 15.35 of the Rules, any creditor may apply to the court to appeal a decision of the Convener. However, an appeal must be made within 21 days of the Decision Date.

Creditors’ Committee – Nominations

In relation to the proposed decision set out above in relation to the formation of a committee, any nominations for membership of the committee must be received by the Convener by no later than the Decision Date and will only be accepted if the Convener is satisfied as to the nominee’s eligibility to be a member of such committee under Rule 17.4 of the Rules. Please note that nominations for membership can be made on the Voting Form accompanying this notice.

Pre-Appointment Costs

Begbies Traynor has incurred costs in assisting the directors in preparing a statement of affairs for the Company and also in seeking a decision from the Company's creditors on the nomination of liquidators.

The services provided by Begbies Traynor were requested by the directors and given for the benefit of creditors of the Company. The Rules provide that any reasonable and necessary expenses associated with these services may be paid out of the Company's assets after the commencement of the liquidation as an expense of it. If approval for payment of the costs as an expense of the liquidation is sought, this must be from any liquidation committee (if appointed) or if no committee is formed, from creditors. To assist creditors in their consideration of such costs, further details of the work involved is provided in the covering letter accompanying this notice.

The following pre-appointment costs were approved by the directors on behalf of the Company and a decision is now being sought to approve payment of the same as an expense of the liquidation:

Preparation of the statement of affairs

£2,500 plus VAT and necessary expenses, in respect of assistance given by Begbies Traynor in connection with the preparation of the statement of affairs.

Seeking a decision of creditors on the nomination of liquidators

£2,500 plus VAT and necessary expenses in respect of assistance given by Begbies Traynor in seeking a decision of the Company's creditors on the nomination of liquidators which includes assistance with the preparation of the report to creditors on the Company's financial position.

Creditors with a Small Debt

Please note that an office-holder may, depending on the particular circumstances of the case, decide to treat a 'small debt' of the Company (*meaning a debt not exceeding £1,000 inclusive of VAT*), as having been proved, without the creditor having to submit a proof in respect of their claim. Where this is intended, notice will be given by the office-holder to the affected creditors. Please note that a creditor who has received such a notice, must still deliver a proof in respect of their claim (unless a proof has already been submitted) by no later than the Decision Date if they wish to vote on the Proposed Decisions.

Creditors who have Opted Out of receiving Notices

Any creditor who has opted out of receiving notices but still wishes to vote on the Proposed Decisions is entitled to do so. However, they must have delivered a completed Voting Form, together with a proof in respect of their claim (unless a proof has already been submitted) to the Convener, whose contact details are below, by no later than the Decision Date, failing which their votes will be disregarded.


Request for a Physical Meeting

Creditors who meet certain thresholds prescribed by the Act, namely 10% in value of all creditors, 10% in number of all creditors or 10 creditors, may require a physical meeting to be held to consider the Proposed Decisions. For this purpose, creditors are those who are entitled to vote. Such a request must be made in writing to the Convener (contact details below), within 5 business days from 22 April 2022. In order to enable the Convener to determine whether a threshold has been met, any such request must also be accompanied by a proof (unless a proof has already been submitted).

Contact Details

Documents required to be delivered to the Convener pursuant to this notice can be sent by post to Begbies Traynor 8th Floor, One Temple Row, Birmingham, B2 5LG. Any person who requires further information may contact Scarlet Williams by telephone on 0121 200 8150, or alternatively by e-mail at Scarlet.Williams@btguk.com.

Dated: 15 April 2022

Signed: 

Craig Povey
Joint Liquidator

Notes to help
completion of
the form

Insolvency Act 1986

Voting form (Liquidation)

PHOENIX HELICOPTER ACADEMY LIMITED

(In Liquidation)

Please give full
name and
address for
communication

Name of creditor _____

Address _____

Voting
instructions for
decisions

Please tick the
appropriate box

	In Favour	Against
1. That the unpaid pre-appointment costs as detailed in the Notice of Decision Procedure – Correspondence, accompanying this Voting Form, be approved for payment as an expense of the liquidation.		
2. That the joint liquidators' remuneration be fixed by reference to the time properly given by them (as liquidators) and the various grades of their staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the winding up as set out in the fees estimate.		
3. That the joint liquidators be authorised to draw expenses for services provided by their firm and/or entities within the Begbies Traynor group, in accordance with their firm's policy, details of which are contained in the Annual Report.		

Liquidation committee

The Insolvency (England and Wales) Rules 2016 ("the Rules") require that where a decision is sought from creditors, it is also necessary to invite them to decide on whether a liquidation committee should be established. The Rules also state that where creditors decide that a liquidation committee should be established, it cannot be established unless it has at least three (but not more than five) members. Therefore, if you would like a committee to be established, you are invited to make your nominations for membership of the committee by completing the 'Nominations' section of this form, below.

I am seeking that a liquidation committee be established

YES / NO (please delete as appropriate)

Nominations for membership of the liquidation committee

I wish to nominate _____ (insert name of creditor)

of _____ (insert address of creditor)

to be a member of the liquidation committee.

NOTE: Creditors are able to make more than one nomination if they so wish, albeit that the maximum number of members of a committee permitted by the Rules is five. Please provide details of any additional nominations you wish to make in the space below.

**This form must
be signed**

Signature of creditor: _____

Name in CAPITAL LETTERS _____

**Only to be
completed if the
creditor has not
signed in person**

**Position with creditor or relationship to creditor or other authority for
signature:**

Is the signatory the sole member of a body corporate?

YES / NO

Any returned voting form must be accompanied with details in writing of your claim (unless you have previously submitted the same). A proof of debt form is enclosed with this form which can be used for this purpose if you wish.