

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

Company number O C 3 0 3 9 4 5

Company name in full The Second Mezzanine Film Fund Limited Liability
Partnership

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Jeremy

Surname Karr

3 Liquidator's address

Building name/number 31st Floor

Street 40 Bank Street

Post town London

County/Region

Postcode E 1 4 5 N R

Country

4 Liquidator's name ①

Full forename(s) Simon John

Surname Killick

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 31st Floor

Street 40 Bank Street

Post town London

County/Region

Postcode E 1 4 5 N R

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 2	^d 5	^m 1	^m 1	^y 2	^y 0	^y 2	^y 2
To date	^d 2	^d 5	^m 1	^m 1	^y 2	^y 0	^y 2	^y 3


7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X 

X

Signature date

^d 0	^d 5	^m 0	^m 1	^y 2	^y 0	^y 2	^y 4
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**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 **Monika Flont**

Company name **Begbies Traynor (Central) LLP**

Address **31st Floor**

40 Bank Street

Post town **London**

County/Region

Postcode

E 1 4 5 N R

Country

DX

Telephone

020 7262 1199

**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.

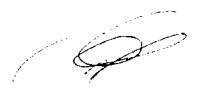
**Further information**

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

**The Second Mezzanine Film Fund Limited Liability Partnership
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £		From 25/11/2022 To 25/11/2023 £	From 25/11/2021 To 25/11/2023 £
	ASSET REALISATIONS		
	Bank Interest Gross	7.06	7.17
6,000.00	Cash at Begbies Traynor	NIL	6,000.00
1,928.00	Cash at Bank	NIL	1,837.92
		7.06	7,845.09
	COST OF REALISATIONS		
	Accountancy Fees	250.00	250.00
	Liquidators' Fees	2,000.00	2,000.00
	Postage	94.28	94.28
	Specific Bond	18.00	18.00
	Statement of Affairs Fee	NIL	5,000.00
	Statutory Advertising	170.00	170.00
		(2,532.28)	(7,532.28)
	UNSECURED CREDITORS		
(110,487.33)	HMRC (non VAT)	NIL	NIL
(1,000.00)	Trade Creditors	NIL	NIL
		NIL	NIL
(103,559.33)		(2,525.22)	312.81
	REPRESENTED BY		
	Accruals (Expenditure)		(1,143.64)
	Vat Receivable		1,456.45
			312.81


Jeremy Karr
Joint Liquidator

The Second Mezzanine Film Fund
Limited Liability Partnership (In
Creditors' Voluntary Liquidation)

Progress report

Period: 25 November 2022 to 24 November 2023

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Partnership 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.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Partnership" and "the LLP"	The Second Mezzanine Film Fund Limited Liability Partnership (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 25 November 2021.
"the liquidators", "we", "our" and "us"	Jeremy Karr and Simon John Killick, both of Begbies Traynor (Central) LLP, 29th 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 partnership, means a creditor of the partnership who holds in respect of his debt a security over property of the partnership, 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 partnership whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. PARTNERSHIP INFORMATION

Trading name(s):	The Second Mezzanine Film Fund
Partnership registered number:	OC303945
Partnership registered office:	The Bothy, Albury Park, Albury, Guildford, GU5 9BH
Former trading address:	The Bothy, Albury Park, Albury, Guildford, GU5 9BH

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	25 November 2021
Date of liquidators' appointment:	25 November 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 25 November 2022 to 24 November 2023.

Receipts

We have received £7.06 interest from Barclays Bank plc on the funds held in the liquidation account.

Payments

Accountancy Fees

We have paid £250 to Robert J Roberts, the Company's former accountant, for the preparation of a self-assessment return for the Partnership.

Liquidators' Fees

We have drawn, in accordance with creditor approval obtained, the sum of £2,000 on account of our fees as the Company's liquidators.

Postage

We have paid £94.28 to Begbies Traynor, by way of disbursement, in relation to postage costs that our firm has incurred with Postworks on behalf of the estate.

Specific Bond

We have paid £18 to Begbies Traynor, by way of disbursement, in relation to specific bond premium costs that our firm has incurred with AUA Insolvency Risk Services on behalf of the estate.

Statutory Advertising

We have paid £170 to Begbies Traynor, by way of disbursement, for advertising costs that our firm has incurred with EPE Reynell on behalf of the estate.

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. The details below relate to the work undertaken in the period of this report only.

General case administration and planning

- Updating case strategy plan;
- Updating case compliance checklists;

- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and does not otherwise fall directly into any of the other headings;
- General case updates: including internal meetings on case strategy and effecting instructions from the Officeholders;
- Ongoing maintenance of information and updating case files;
- Periodic reviews of the case generally; and
- Ensuring that the time recording data is compliant with Statement of Insolvency Practice 9.

Whilst the works outlined above do not confer a direct financial benefit to the creditors, they are nonetheless necessary to ensure an efficient and compliant progression of the liquidation. The creditors benefit from these works being carried out as they ensure that liquidators and their staff carry out their work to high professional standards expected of this firm.

Compliance with the Insolvency Act, Rules and best practice

- Filing documents at the Companies House.
- Drafting and issuing of our first annual progress report on the matter;
- Ongoing consideration of ethical practice;
- Ongoing consideration of money laundering regulations; and
- Updating case checklists and statutory diaries as needed.

Banking:

- Maintaining and managing the insolvent estate bank account and cash book;
- Undertaking regular bank reconciliations of the estate bank account;
- Complying with risk management procedures;
- Preparing and processing cheque requisition forms for the payment of post-appointment invoices;
- Preparing and processing remittance advises for incoming funds; and
- Processing of BACS/electronic payments where applicable.

On this engagement, the work identified above does not hold a direct commercial benefit to creditors. It is the duty of the appointed officeholder to comply with the Insolvency Act and Rules. The creditors benefit from this being done as it ensures proper stewardship, and that this engagement is dealt with in a timely manner and to a standard expected of this firm.

Investigations

No time was recorded against this category.

Realisation of assets

No time was recorded against this category.

Dealing with all creditors' claims (including employees), correspondence and distributions

- Acknowledging creditor correspondence and/or dealing with further queries on claims.

Some aspects of these works confer an indirect benefit to the creditors as it allows them to evidence of their loss for tax and VAT purposes. Where the works do not confer a financial benefit to the creditors, these works have been completed as it is a duty of the appointed liquidators to comply with the Insolvency Act and Rules. Furthermore, the Officeholders and their staff are required to adhere to the Code of Ethics and standards of professional conduct. The creditors benefit from this being done as it promotes good stewardship, and that this engagement is dealt with in a timely manner and to a standard expected of this firm.

Other matters which include: seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedures), tax, litigation, pensions and travel

- Requesting cancellation of the LLP's VAT registration number; and
- Liaising with HMRC in relation to tax returns.

The work has been undertaken in order to comply with Insolvency Rules and taxation legislation. The creditors benefit from those works being done to the standard expected of this firm. Some aspects of these works confer a direct financial benefit to the creditors as it allows the liquidators to reclaim VAT on post-liquidation expenses.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the LLP's creditors were provided in the designated members' statement of affairs dated 18 November 2021. Based on the realisations to date, and expected future realisations, the outcome for each class of creditors is as follows:

Secured creditors

There are no known secured creditors.

Preferential creditors

There are no known preferential claims.

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.

There are no known secondary preferential creditors.

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:

Where a charge is created between 15th September 2003 and up to 6th April 2020

- ☐ 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

Where charge is created on or after 6th April 2020

- ☐ 50% of the first £10,000 of net property;
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £800,000

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)).

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

Unsecured creditors

Unsecured creditors were estimated at £111,487.33 and we have received claims in the total sum of £130,506.73, including a claim for £129,186.73 from HMRC.

No dividend is available for unsecured creditors because the funds realised have already been allocated for defraying the expenses of the liquidation.

6. REMUNERATION & EXPENSES

Remuneration

Our remuneration has been fixed by a decision of the creditors on 23 December 2021 obtained via a Decision Procedure by way of correspondence by reference to the time properly given by us (as liquidators) and the various grades of our 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 dated 29 November 2021 in the sum of £16,115.00.

Our time costs for the period from 25 November 2022 to 24 November 2023 amount to £2,384 which represents 9.5 hours at an average rate of £250.95 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 25 November 2022 to 24 November 2023
- ❑ Begbies Traynor (Central) LLP's charging policy

To 24 November 2023, we have drawn £2,000 on account of our remuneration, against total time costs of £12,095.50 incurred since the date of our appointment.

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. An additional analysis is also attached which details the time costs for the entire period for which we have administered the liquidation.

Please note that each analysis provides details of the work undertaken by us and our staff following our appointment only.

As can be concluded from the information above, the level of our approved remuneration has been sufficient to cover the costs of the liquidation and we are pleased to report that we do not anticipate seeking any increase or amendment to our approved remuneration basis if matters progress to conclusion as envisaged.

Expenses

To 24 November 2023, we have drawn expenses in the sum of £282.28.

Category 2 Expenses

We have not charged any Category 2 Expenses to the case, and we are not authorised to do so.

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

Expenses actually incurred compared to those that were anticipated

Creditors will recall that we estimated that the expenses of the liquidation would total £412.00. Unfortunately, the expenses that we have incurred so far have exceeded that estimate and there will be further expenses to pay before the case concludes. The reason why the estimate has been exceeded was the need to instruct an accountant to prepare a self-assessment return for the Partnership.

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

As detailed in the designated members' statement of affairs, the LLP had no assets other than cash at bank which we have already realised.

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

- The preparation, drafting and issue of progress report to creditors and members;
- Updating case strategy plan;
- Updating case compliance checklists;
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories;
- Ongoing maintenance of up-to-date information on the electronic case information;
- Periodic reviews of the case generally; and
- Supervision of junior staff generally.

On this engagement, the work identified above does not hold a direct commercial benefit to creditors. Creditors benefit from this work as it ensures this particular engagement is dealt with to the standards expected and also in a timely fashion. Elements of this work are required to comply with best practice and statute.

Compliance with the Insolvency Act, Rules and best practice

- Reviewing the adequacy of the specific penalty bond periodically;
- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary;
- Submission of reports/forms to Companies House;
- Issuing progress reports to all known creditors.

Banking:

- Maintaining and managing the insolvent estate bank account and cash book.
- Undertaking regular bank reconciliations of the estate bank account.
- Complying with risk management procedures;
- Preparing and processing remittance advises for incoming funds;
- Processing of BACS/electronic payments where applicable.

Closure:

- Preparing, reviewing and issuing final progress report to members and creditors;
- Filing of appropriate forms with Registrar of Companies;
- Updating physical and electronic case records following closure.

On this engagement, the work identified above does not hold a direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

Investigations

There are nominal investigations which remain to be carried out before the case concludes.

Realisation of assets

There are no assets which remain to be realised.

Dealing with all creditors' claims (including employees), correspondence and distributions

- Updating schedules of unsecured creditor claims;
- Receipt of creditor claims and input on internal case management software; and
- Taking and dealing with phone calls from creditors.

On this engagement, the work detailed above will not result in direct financial benefit to creditors as insufficient funds have been realised to declare and pay a dividend to unsecured creditors. The work will have been undertaken to comply with the Insolvency Act and Rules together with best practice and enabling creditors to have evidence of their loss for tax and VAT purposes.

Other matters which include seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedures), tax, litigation, pensions, and travel

- The Completion of post liquidation Corporation Tax and VAT returns; and
- Reclaiming VAT on liquidation expenses.

Some of the above have no direct financial benefit to creditors but have to be done in order to comply with the Insolvency Rules such as creditors and members meetings, as well as a legal requirement, such as completion of corporation tax returns. Others do have a direct financial benefit to creditors. These include the provision of

VAT returns after the liquidation as the majority of VAT will be recoverable and therefore an asset of the insolvent estate.

How much will this further work cost?

The 'further work' detailed above has always been anticipated, but at this point in the proceedings, it has not yet been completed. As you know, this work is necessary in order that I may complete the liquidation as envisaged. The cost of completing this work will not exceed any amounts approved by creditors previously.

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 estimate of anticipated expenses sent to creditors on 29 November 2021 which included all of the expenses that we anticipate that we will incur throughout the liquidation.

What is the anticipated payment for administering the case in full?

We estimated that the cost of administering the case would be in the region of £16,115.00 and subsequently you have provided approval for us to draw our remuneration up to that level. However, as you are aware, due to the fact that there are limited assets, the remuneration that we can draw is limited to the amount that is realised for the assets, (less any costs incurred in realising those assets). At this stage in the liquidation, we can estimate that total remuneration drawn will be in the region of £2,400.00.

However, please note that should there be additional or unexpected asset realisations, we will look to draw our remuneration from those too, capped at the level that the creditors approve.

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.



Jeremy Karr
Joint Liquidator

Dated: 05 January 2024

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 25 November 2022 to 24 November 2023

Cumulative: 25 November 2021 to 24 November 2023

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This policy 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 guidance* 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 policy 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 guidance* 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 officeholder 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 in 6 minute units 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

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements, which are expenses that are initially paid by the office holder's own firm, but which are subsequently reimbursed from the estate when funds are available.

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 and either:
 - (i) 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; or
 - (ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

Shared or allocated costs (pursuant to (i) above)

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

The following expenses include an element of shared or allocated cost and 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 of £150 per meeting;
- ❑ Car mileage which is charged at the rate of 45 pence per mile;

Payments anticipated to be made to associates (pursuant to (ii) above)

Services provided by other entities within the Begbies Traynor group

Services provided by entities within the Begbies Traynor group, of which the office holder's firm is a member, may also to be charged to the case (subject to approval):

Instruction of Eddisons Commercial Limited may be required for assistance for valuation and sale of the Company's assets. Their charges will include a valuation fee and 10% plus VAT of any realisations achieved.

In addition to the services detailed above, it may become necessary to instruct Eddisons Commercial Limited to provide additional services, not currently anticipated, during the course of the case. In such circumstances and to avoid the costs associated with seeking further approval, the charges for such services will be calculated on a time costs basis at the prevailing hourly rates for their various grades of staff which are currently as follows:

Grade of staff	Charge-out rate (£ per hour)
Director	£275
Associate	£180
Surveyor	£120
Graduate	£100
Administration	£80
Porters	£35

It may become necessary to instruct Eddisons Insurance Services Limited ("EIS") to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. Should insurance be required for the 3-month period immediately following appointment we will provide you a quotation inclusive of Insurance Premium Tax. The costs of insurance cover for subsequent quarter periods will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case. Where relevant, administration fees may be charged. These costs are taken into consideration and included within the forecasted cost of insurance, above.

In accordance with standard insurance industry practice, EIS will receive payment of commission for the services it provides from the insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

EIS will invoice the insolvent estate for the premium(s) due on the insurer's behalf and receive payment from the estate. EIS will in turn, account to the insurer for the premium(s) payable after deducting any commission payable by the insurer.

Where EIS have initially been consulted on a policy, but the policy has not been taken out, EIS will charge an administration fee of £150.

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

Services provided by an entity in which either the office holder or an associate of the office holder has an interest

None.

Additional payments received by Eddisons Commercial Limited from purchasers where assets are disposed of by way of auction

In addition to the charges of Eddisons Commercial Limited detailed above for providing the services to the office holder, where any machinery and business assets (other than freehold/leasehold property) are disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's premium, equivalent to 15% of the successful bid. Where any freehold/leasehold property is disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's administration fee, in the sum of £600. It is standard auction industry practice for a buyer's premium and buyer's administration fee to be charged. The buyer's premium and buyer's administration fee is paid by the purchaser of the assets and is not paid by the office holder from the assets of the estate.

General Office Overheads.

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 expense:

- ☐ 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 office as at the date of this report are as follows:

Grade of staff	Charge-out rate range (£ per hour) 10 th July 2023 until further notice
Appointment taker/partner	560-640
Managers/directors	415-540
Other professional	215-300
Junior professional/support	170

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

Prior to 10th July 2023, the following rates applied:

Grade of staff	Charge-out rate (£ per hour)
	1 January 2022 To 09 July 2023
Partner	545
Director	490
Senior Manager	435
Manager	380
Assistant Manager	275
Senior Administrator	240
Administrator	195
Junior Administrator	155
Cashier	155
Secretarial	155

Prior to 31 December 2021, the following rates applied:

Grade of staff	Charge-out rate (£ per hour)
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Cashier	140
Secretarial	140

Prior to 31 November 2018, the following rates applied:

Grade of staff	Charge-out rate (£ per hour)
	1 May 2011 – 30 November 2018
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	60 – 110

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

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.

The officeholder may use the services of BTG Forensic during the course of the case. BTG Forensic is a specialist department of the office holder's firm which provides forensic accounting services. The current charge-out rates applying to work carried out by BTG Forensic are as follows:

Grade of staff	Charge-out rate (£ per hour)
Partner	760
Director	640
Senior Investigations Manager	595
Investigations Manager	525
Assistant Investigations Manager	425
Senior Investigator	375
Investigator	285
Trainee Investigator	210

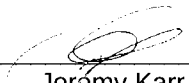
The office holder may use the services of BTG's Contentious Insolvency Division (CID) during the course of the case. The CID is a department of the office holder's firm which specialises in asset recovery and complex investigative matters. The current charge-out rates applying to work carried out by the CID are as follows and subject to increase from time to time:

Grade of staff	Charge-out rate (£ per hour)
Partner	690
Director	580
Senior Investigator	475
Investigator	410
Trainee Investigator	260

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

The Second Mezzanine Film Fund Limited Liability Partnership
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 25/11/2022 To 24/11/2023 £	From 25/11/2021 To 24/11/2023 £
	ASSET REALISATIONS		
	Bank Interest Gross	7.06	7.17
6,000.00	Cash at Begbies Traynor	NIL	6,000.00
1,928.00	Cash at Bank	NIL	1,837.92
		<u>7.06</u>	<u>7,845.09</u>
	COST OF REALISATIONS		
	Accountancy Fees	250.00	250.00
	Liquidators' Fees	2,000.00	2,000.00
	Postage	94.28	94.28
	Specific Bond	18.00	18.00
	Statement of Affairs Fee	NIL	5,000.00
	Statutory Advertising	170.00	170.00
		<u>(2,532.28)</u>	<u>(7,532.28)</u>
	UNSECURED CREDITORS		
(110,487.33)	HMRC (non VAT)	NIL	NIL
(1,000.00)	Trade Creditors	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(103,559.33)</u>		<u>(2,525.22)</u>	<u>312.81</u>
	REPRESENTED BY		
	Accruals (Expenditure)		(1,143.64)
	Vat Receivable		1,456.45
			<u>312.81</u>


Jerémy Karr
Joint Liquidator

COSTS AND EXPENSES

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 25 November 2022 to 24 November 2023; and
- c. Cumulative Time Costs Analysis for the period from 25 November 2021 to 24 November 2023

SIP9 The Second Mezzanine Film Fund Limited L - Creditors Voluntary Liquidation - 01TH01C.CVL : Time Costs Analysis From 25/11/2022 To 24/11/2023

Staff Grade		Consultant/Partner	Director	Snr Mngr	Mngr	Astt Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning		0.8								0.8	392.00	490.00
	Administration							1.2			1.2	248.00	206.67
	Total for General Case Administration and Planning:		0.8					1.2			2.0	640.00	320.00
Compliance with the Insolvency Act, Rules and best practice	Appointment:												0.00
	Banking and Bonding	0.1		0.1				2.0		1.5	3.7	734.00	198.38
	Case Closure												0.00
	Statutory reporting and statement of affairs	0.3						2.2			2.5	592.50	237.00
	Total for Compliance with the Insolvency Act, Rules and best practice:	0.4		0.1				4.2		1.5	6.2	1,326.50	213.95
Investigations	CDDA and investigations												0.00
	Total for Investigations:												0.00
Realisation of assets	Debt collection												0.00
	Property, business and asset sales												0.00
	Retention of Title/Third party assets												0.00
	Total for Realisation of assets:												0.00
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others	0.1									0.1	54.50	545.00
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	0.1									0.1	54.50	545.00
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors												0.00
	Meetings												0.00
	Other												0.00
	Tax	0.3		0.1				0.8			1.2	363.00	302.50
	Litigation												0.00
	Total for Other matters:	0.3		0.1				0.8			1.2	363.00	302.50
	Total hours by staff grade:	0.8	0.8	0.2				6.2		1.5	9.5		
	Total time cost by staff grade £:	436.00	392.00	87.00				1,235.00		234.00		2,384.00	
	Average hourly rate £:	545.00	490.00	435.00	0.00	0.00	0.00	199.19	0.00	156.00			250.95
	Total fees drawn to date £:											2,000.00	

SIP9 The Second Mezzanine Film Fund Limited L - Creditors Voluntary Liquidation - 01TH01C.CVL : Time Costs Analysis From 25/11/2021 To 24/11/2023

Staff Grade		Consultant/Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning		0.8								0.8	392.00	490.00
	Administration	0.3			4.4			1.2		0.6	6.5	2,099.00	322.92
	Total for General Case Administration and Planning:	0.3	0.8		4.4			1.2		0.6	7.3	2,491.00	341.23
Compliance with the Insolvency Act, Rules and best practice	Appointment:				1.3						1.3	448.50	345.00
	Banking and Bonding	0.1		0.1	0.2			2.0		4.6	7.0	1,262.50	180.36
	Case Closure												0.00
	Statutory reporting and statement of affairs	0.3						2.2			2.5	592.50	237.00
	Total for Compliance with the Insolvency Act, Rules and best practice:	0.4		0.1	1.5			4.2		4.6	10.8	2,303.50	213.29
Investigations	CDDA and investigations	0.4			14.3						14.7	5,603.00	381.16
	Total for Investigations:	0.4			14.3						14.7	5,603.00	381.16
Realisation of assets	Debt collection												0.00
	Property, business and asset sales				0.3						0.3	114.00	380.00
	Retention of Title/Third party assets												0.00
	Total for Realisation of assets:				0.3						0.3	114.00	380.00
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others	0.1			0.4						0.5	195.50	399.00
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	0.1			0.4						0.5	199.50	399.00
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors				2.0						2.0	690.00	345.00
	Meetings												0.00
	Other												0.00
	Tax	0.3		0.1	0.9			0.8			2.1	694.50	330.71
	Litigation												0.00
	Total for Other matters:	0.3		0.1	2.9			0.8			4.1	1,384.50	337.68
	Total hours by staff grade:	1.5	0.8	0.2	23.6			6.2		5.2	37.7		
	Total time cost by staff grade £:	802.50	392.00	87.00	8,795.50			1,235.00		783.50		12,095.50	
	Average hourly rate £:	535.00	490.00	435.00	369.56	0.00	0.00	199.19	0.00	150.67			320.84
	Total fees drawn to date £:											2,000.00	

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Accountancy Fees	Robert J Roberts	250.00		250.00
Postage	Postworks	5.20		5.20
Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Charging Policy)				
None				

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Statutory advertising	EPE Reynell	170.00
Bond	AUA Insolvency Risk Services	18.00
Postage	Postworks	99.48
Accountancy Fees	Robert J Roberts	250.00

ADDITIONAL EXPENSES ANTICIPATED FOR FUTURE WORK

We do not expect to incur any further expenses other than nominal postage charges.