

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 0 0 3 3 5 6 9 9

Company name in full Burnden Leisure Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Paul Robert

Surname Appleton

3 Liquidator's address

Building name/number 29th 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) Asher

Surname Miller

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 29th 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.

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|---|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---|--|--|--|
| 6 | Period of progress report | | | | | | | | | | | |
| From date | ^d 0 | ^d 6 | ^m 0 | ^m 3 | ^y 2 | ^y 0 | ^y 2 | ^y 1 | | | | |
| To date | ^d 0 | ^d 5 | ^m 0 | ^m 3 | ^y 2 | ^y 0 | ^y 2 | ^y 2 | | | | |
| 7 | Progress report | | | | | | | | | | | |
| <input checked="" type="checkbox"/> The progress report is attached | | | | | | | | | | | | |
| 8 | Sign and date | | | | | | | | | | | |
| Liquidator's signature | Signature  | | | | | | | | X | | | |
| Signature date | ^d 2 | ^d 8 | ^m 0 | ^m 3 | ^y 2 | ^y 0 | ^y 2 | ^y 2 | | | | |

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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 **Darren Ellis**

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

Address **29th Floor**

40 Bank Street

Post town **London**

County/Region

Postcode **E 1 4 5 N R**

Country

DX

Telephone **020 7400 7900**



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

Burnden Leisure Limited (**In Creditors'** Voluntary Liquidation)

Progress report

Period: 6 March 2021 to 5 March 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.

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1. INTERPRETATION

| <u>Expression</u> | <u>Meaning</u> |
|--|--|
| "the Company" | Burnden Leisure Limited (In Creditors' Voluntary Liquidation) |
| "the liquidation" | The Company moving into Creditors' Voluntary Liquidation from Administration pursuant to Paragraph 83 of Schedule B1 to the Act |
| "the joint liquidators", "the officeholders", "we", "our" and "us" | Paul Robert Appleton and Asher Miller of Begbies Traynor (London) LLP, 29th Floor, 40 Bank Street, London, E14 5NR |
| "the Act" | The Insolvency Act 1986 (as amended) |
| "the Rules" | The Insolvency (England & 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): | N/a |
| Company registered number: | 00335699 |
| Company registered office: | c/o Begbies Traynor, 29th Floor, 40 Bank Street, London, E14 5NR |
| Former trading address: | University of Bolton Stadium, Burnden Way, Lostock, Bolton BL6 6JW |

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

| | |
|-----------------------------------|--------------|
| Date winding up commenced: | 6 March 2020 |
| Date of liquidators' appointment: | 6 March 2020 |

Changes in liquidator (if any):

There has not been a change in the Office Holders since the original appointment date. However, it should be noted that, with effect from 17 March 2021, David Rubin & Partners became part of Begbies Traynor Corporate Recovery and Insolvency Practice. Further information in relation to Begbies Traynor and the Begbies Traynor Group can be accessed at: <http://www.begbies-traynorgroup.com>. The Joint Liquidators are now operating from offices at 29th Floor, 40 Bank Street, London E14 5NR

4. PROGRESS DURING THE PERIOD

This report should be read in conjunction with our previous progress reports.

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 6 March 2021 to 5 March 2022.

Receipts

Sale of Business

As part of the sale of the business and assets, we have been in ongoing communications with FVWL Football Limited ("FVWL") throughout the year to monitor and collect the amounts due to the Company pursuant to the terms of the deferred sale consideration.

We can confirm that during the year FVWL made payments on account of the unsecured creditor contribution element of the sale consideration totalling £8,037.

Bank Interest - Gross

The funds in hand are held in an interest-bearing account with a High Street bank in the Office Holders' name as Joint Liquidators of the Company.

Gross interest earned on the funds in hand during the year under review amounted to £0.36.

Payments

No payments were made during the period covered by this report.

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. There is an analysis for the period of the report and also an analysis of the cumulative time spent on the case since the date of our appointment as Joint Liquidators.

The details below relate to the work undertaken in the period of the report only. Our previous reports and this report shall provide details of the work undertaken since our appointment.

General case administration and planning

During the year, the following work has been carried out as required either by statute or for the purposes of case management generally. Whilst many of these tasks do not have a direct financial benefit to creditors, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards.

- Setting up our internal case management folders, both digital and paper;
- IPS set-up - creation and update of case files on the firm's insolvency software which include company information, creditors, debtors, shareholders and employees details;
- Capturing the Company's data on our internal electronic case management system and maintaining up to date information;
- Opening, maintaining and managing the liquidation estate cashbook; and
- Carrying out regular case reviews of the Liquidation to monitor progression.

Compliance with the Insolvency Act, Rules and best practice

The Insolvency Practitioners are governed by the Insolvency Act and Rules, together with best practice guidelines known as Statements of Insolvency Practice (SIPs). Certain work is mandatory and must be carried out in every liquidation in order to comply with these statutory and best practice guidelines. However, many of these tasks do not have a direct financial benefit to creditors.

- Reviewing the Joint Liquidators' bond as required by the Insolvency Practitioners Regulations 2005;
- Preparation and circulation of annual progress reports and Receipts and Payments Account to creditors pursuant to S104A of the Insolvency Act 1986 and submission of same to the Registrar of Companies;
- Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards;
- Carrying out regular bank reconciliations in line with best practice;
- Carrying out regular case reviews of the Liquidation to monitor case progression; and
- Preparation and submission to HMRC of the relevant tax and VAT returns.

Investigations

No additional investigations were carried out during the reporting period.

It should be noted that a further report to the Department for Business, Energy & Industrial Strategy (BEIS) was not required in the Liquidation as it was undertaken by the Joint Administrators during the Administration process.

Realisation of assets

In general, Insolvency Practitioners are required to maximise realisations for the benefit of the Company's creditors, and they will seek to realise all of the Company's assets as set out in the Directors' Estimated Statement of Affairs.

In this case, the time spent by the Joint Liquidators and their staff in realising the sale consideration referred to below will provide a direct financial benefit to creditors as funds will become available, after the satisfaction of the outstanding costs of the Administration/Liquidation, to pay the requisite dividend of 35 pence in the pound to unsecured creditors.

Sale of Business

Pursuant to the terms of sale made between FVWL, the Company and its subsidiary, BWFC2019 Limited (formerly The Bolton Wanderers Football & Athletic Company Limited), during the Administration period, the following elements of the sale consideration were payable on deferred terms:

1. The fees of the Joint Administrators/Liquidators and their professional advisors.

We remain in communications with FVWL regarding the settlement of the outstanding fees of the Joint Administrators/Liquidators.

2. A contribution sufficient to enable a dividend of 35 pence in the pound to the Company's unsecured creditors with agreed claims.

It should be noted that the quantum of the contribution required to meet the claims of unsecured creditors cannot be properly determined until the Joint Liquidators have adjudicated all unsecured claims for dividend purposes. However, as a result of the work undertaken in the section below, 'Dealing with all creditor claims', a provisional figure has been determined ("the provisional contribution") for the unsecured claims in the proceedings.

As reported above, we have collected sums totalling £8,037 during the year as payment on account of the provisional contribution. Following further correspondence and discussions with FVWL in this regard, we are pleased to advise that the balance of the provisional contribution has since been paid into the Liquidation estate. However, as payment was made after the period covered by this report this is not reflected in Receipts and Payments Account at Appendix 1.

In view of the foregoing, it is our intention to issue a notice of intended dividend to creditors in early course, which is explained further in section 5. 'Estimated Outcome for Creditors' below.

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

General correspondence from creditors and shareholders have been dealt with as and when received. Broadly, the time costs involved in this will be proportionate to the number of creditors and shareholders. However, there will be instances where one creditor or shareholder will have more queries than another, thereby increasing the time incurred substantially. In this assignment, a higher than usual amount of time was required in dealing with the numerous enquiries from the Company's shareholders regarding the status of their shareholding. During the year, the following work was undertaken in this respect:

- Dealing with extensive creditors' enquiries, both by correspondence and by telephone;
- Lodging claims received onto our internal case management systems and acknowledging receipt;
- Dealing with a high volume of shareholder enquiries; and
- Assessment of Receipts and Payments to date and ongoing reviews of the contribution required to achieve the requisite dividend to creditors.

In addition to the above, we have been in consultation with the FVWL during the year regarding the status of several claims received in the proceedings, which are either disputed or materially differ from the amount shown in the Company's books as being owed. Communications were entered into to reach a resolution whereby those specific debts are satisfied by FVWL outside the auspices of the Liquidation, which resulted in a number of claims being reduced or agreed as 'nil' and withdrawn from the proceedings. Ultimately, this will reduce the contribution sum required by FVWL and benefit creditors by expediting the timing of the distribution to unsecured creditors.

The above work has been carried out under best practice guidelines but may not have produced any financial benefit for creditors at this juncture. However, this has assisted in determining the final claims in the proceedings, which, in turn, will accelerate the timing of the dividend to unsecured creditors. The work undertaken was necessary to address various enquiries/disputes and to establish the circumstances of certain creditor claims in advance of the formal adjudication process. As the Insolvency Rules require claims to be adjudicated before a distribution can be made, the work carried out to date will assist the requirement for the forthcoming dividend to unsecured creditors.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided initially in the draft Summary of the Estimated Financial Position of the Company included in the statement of proposals of the former Administrators dated 5 July 2019 and in subsequent progress reports of the Joint Administrators and Joint Liquidators.

Secured creditors

Fildraw Limited ("Fildraw")

The appointing Qualifying Floating Chargeholder, Fildraw, held a Debenture incorporating fixed and floating charges over the Company's assets and undertakings, which was duly created and registered at Companies House on 7 and 18 September 2018, respectively. It should be noted that whilst the Debenture is shown at Companies House as being held by Moonshift Investments Limited, this was in fact assigned to Fildraw pursuant to the terms of a deed of assignment.

Fildraw's Debenture was validated prior to the appointment of the Joint Administrators by solicitors, Stephenson Harwood, and the charge was confirmed to be in good order. The Company's records disclosed the group balance outstanding to Fildraw as £10,050,000 but it made a claim for £17 million.

Following negotiation, the debt was compromised and the balance assigned to FVWL as part of the sale of the business.

Kenneth Anderson

Mr Anderson also held a fixed and floating charge over the Company's assets, which was duly created and registered at Companies House on 27 September and 2 October 2018, respectively. The Company's records disclosed that the balance outstanding to Mr Anderson as £1,578,042. However, it should be noted that Mr Anderson believed the sum outstanding was circa £7.5 million.

As part of the sale of the business, Mr Anderson provided his release from all Security and any and all claims that he may have had against the Company in return for a payment of £237,000 in full and final settlement of his debt.

Barclays Bank Plc ("Barclays")

Barclays is disclosed at Companies House to have an outstanding Debenture, incorporating fixed and floating charges, created and registered on 27 April and 8 May 2010. No monies are owed to Barclays.

Preferential Creditors

The Company has no Preferential Creditors.

Unsecured creditors

As at the date of this report, the claims of three unsecured creditors, with a total value of £138,952, have been received. However, it is to be noted that the final admitted creditor claim sum is anticipated to be considerably lower than the abovementioned figure as one significant claim is understood to have been settled outside the auspices of the Liquidation.

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

Secured Creditors

As detailed above, all liabilities to the Secured Creditors were either assigned to FVWL as part of the sale of the business and assets or the charges released as part of the sale.

Preferential Creditors

As advised above, there are no known preferential claims in the proceedings.

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)).

To the best of our knowledge and belief, all liabilities caught by floating charges created or registered on or after 15 September 2003 were satisfied or otherwise dealt with as part of the sale of the business and assets to FVWL. 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

As outlined earlier in this report, pursuant to the provisions of the sale agreement, FVWL is required to pay sufficient funds into the estate to ensure that a dividend of 35 pence in the pound be paid to all admitted unsecured creditors.

Notice of Intended Dividend

A notice of intended dividend will be issued to unsecured creditors shortly under separate cover. Such notice will specify a last date for creditors to prove their claims at this office (the last day for proving). Creditors who fail to lodge a claim prior to the last day for proving may be excluded from participating in the forthcoming first and final dividend to unsecured creditors.

Those creditors who have not yet submitted the particulars of their at this office are advised to do so as soon as possible by completing and returning a Proof of Debt form, which is available for download at www.drpartners.com/cases using the username and password detailed below. Alternatively, a hard copy of the same can be provided by contacting this office.

USERNAME: B521@drco.co.uk

PASSWORD: 125Bgm*!

6. REMUNERATION & EXPENSES

Creditors will recall that the approved level of remuneration for the officeholders amounts to £97,720.

The actual time costs incurred during the Administration amounted to £48,320 and, to date, we have drawn fees on account of those costs totalling £25,000. The balance outstanding of £23,320 will be settled from the Liquidation estate, pursuant to the terms of sale, as and when the funds permit.

Joint Liquidators' Remuneration

Our remuneration is treated as having been fixed on the same basis as the former Joint Administrators, namely, by reference to the time properly given by us and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (London) LLP, pursuant to the approval received of £97,720 from creditors on 22 July 2019.

We are also authorised to draw disbursements, including disbursements for services provided by my firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with my firm's policy, which is attached at Appendix 2 of this report.

Our time costs for the period from 6 March 2021 to 5 March 2022 amount to £21,610, which represents 72 hours and 42 minutes at an average rate of £297 per hour.

The total time costs in the period from commencement of the Liquidation up to 6 March 2020 amount to £34,697 which represents 111 hours and 48 minutes at an average rate of £310 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 6 March 2021 to 5 March 2022
- ❑ Time Costs Analysis for the cumulative period from 6 March 2020 to 5 March 2022.
- ❑ Begbies Traynor (London) LLP's charging policy

To 5 March 2022, we have not drawn any remuneration on account of our outstanding time costs incurred of £34,697, since the date of our appointment as Joint Liquidators.

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.

The information provided in section 4 above relates to the work undertaken during the period of this report. Creditors should refer to the Joint Liquidators' progress report dated 30 April 2021 for details in respect of the work undertaken during the year prior to the period covered by this report.

As can be seen from the information above, the level of our approved remuneration has been sufficient to cover our current and estimated future time costs. Additionally, as the funding for our time costs will be provided by FVWL by way of a separate contribution into the estate and there being no change in the outcome anticipated for the unsecured creditors, we do not anticipate seeking a decision from the creditors for any increase to our approved level of remuneration if matters progress to conclusion as envisaged.

Expenses

We have not drawn any expenses during the year covered by this report.

Subcontractors

To 5 March 2022, no subcontractors have been utilised in this matter.

Category 2 Expenses

No Category 2 expenses have been charged to the case since our last report to creditors.

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. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3, together with a table of future expenses to be incurred.

Expenses actually incurred compared to those that were anticipated

Creditors are advised that the estimated expenses of the Liquidation have not been exceeded and we do not expect it to be exceeded if matters progress to conclusion as envisaged.

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

The only remaining asset to be realised is the balance of the deferred consideration payable pursuant to the terms of sale, which comprise the following elements:

- ☐ A contribution sufficient to meet the fees of the Joint Administrators/Liquidators and their advisors; and
- ☐ A contribution sufficient to pay a dividend of 35 pence in the pound to unsecured creditors.

The latter requirement is unable to be quantified until the claims of unsecured creditors have been formally adjudicated and the final value of admitted unsecured claims in the proceedings have been determined.

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

Information in respect of the work that remains to be undertaken are set out below for creditors perusal under the relevant headings. The main outstanding matters are as follows:

- Collection of the contribution sum required to pay an unsecured dividend of 35 pence in the pound and the outstanding fees of the Joint Administrators/Liquidators.
- Settlement of the outstanding Administration/Liquidation expenses.
- The adjudication of the claims of unsecured creditors.

- Effect payment of a first and final dividend distribution to the Company's unsecured creditors.

Once the above matters have been concluded, the case will be moved to closure.

General case administration and planning

The work proposed to be undertaken under this heading includes the following:

- Maintaining contemporaneous documents both on file and electronically of any key decisions materially affecting the case;
- Reviewing, continuously monitoring, and progressing the liquidation;
- Maintaining and keeping up to date our internal case management folders, both digital and paper;
- Updating case files on the firm's insolvency software, which include company information, creditors, debtors, shareholders and employees details;
- Settlement of the remaining expenses of the proceedings;
- Sundry and administrative duties, including general assistance to FVWL with any matters that requires the involvement of the Joint Liquidators; and

As we continue with the administration of this case, we will continue to incur further costs for many of the tasks set out above and in section 4 but will not have a direct financial benefit to creditors. However, these tasks assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to the required professional standard.

Compliance with the Insolvency Act, Rules and best practice

Continue to comply with best practice guidelines in accordance with the Statements of Insolvency Practice (SIPs), notwithstanding that many of these tasks do not have a direct financial benefit to creditors.

- Undertake regular bank reconciliations and monitor the movement of funds in the estate account;
- Carry out regular reviews and increases, where appropriate, to the Joint Liquidators' insolvency bond as required by the Insolvency Practitioners Regulations 2005;
- Undertake regular case reviews pursuant to best practice guidelines;
- Preparation and circularisation of the Joint Liquidators' Annual Progress Reports and Receipts and Payments Account to creditors, and the submission of same to Companies House;
- Preparation of the Joint Liquidators' Final Account and Receipts and Payments Account to creditors pursuant to S106 of the Insolvency Act 1986 to conclude the Liquidation; and

Whilst the above work has no direct financial benefit to creditors, the tasks are statutory or regulatory compliance requirements that need to be fulfilled by the Joint Liquidators to ensure the efficient and compliant administration of the matter.

Investigations

Our investigations into the affairs of the Company and on the conduct of the Directors were undertaken during the Administration and are now considered to have been concluded.

Realisation of assets

As advised above, we need to collect the balance of funds to satisfy the outstanding element of the deferred consideration. This will result in a direct financial benefit for creditors and facilitate the requisite dividend to unsecured creditors of 35 pence in the pound.

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

In conjunction with matters mentioned in section 5 above, we are required to complete other compliance formalities, which includes, inter alia, the following:

- Preparation and issue of a notice of intended dividend to unsecured creditors;
- Ascertain, correspond and formally adjudicate on creditor claims;
- Deal with all enquiries that will be made as part of the adjudication process;
- Effect dividend payments to all proven creditors;

It should be noted that the adjudication of creditor claims will result in a financial benefit by way of a dividend of 35 pence in the pound to creditors with agreed claims.

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

The following matters will continue to be dealt with during the remainder of the Liquidation:

- Preparing and submitting post-liquidation VAT and Corporation Tax returns;
- Obtaining the requisite clearance from HMRC prior to conclusion of the Liquidation; and
- Attending to any other taxation queries that may be raised by HMRC.

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 undertaken. As creditors will be aware, this work is necessary in order that we may complete the liquidation as envisaged. It appears that the costs of completing this work will not exceed any amounts approved by creditors previously.

For the avoidance of doubt, we are not seeking creditors to approve any increase to the original fee estimate. Therefore, no additional costs will be borne by the estate and unsecured creditors will still receive the requisite dividend distribution of 35 pence in the pound.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done are as set out in the estimate of anticipated expenses sent to creditors on previously, which included all of the expenses that we anticipate that we will incur throughout the Liquidation.

Further details of the expenses incurred and paid in the Liquidation, together with anticipated expenses, are outlined in Appendix 3.

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

The Joint Administrators estimated that the cost of administering this case would be £97,720, and the requisite approval was received by creditors to draw our remuneration up to that level.

As previously advised, the actual time costs incurred during the Administration amounted to £48,320 and, thus far, the time costs in the Liquidation amount to £34,697, i.e. total time costs of £83,017. Based on present information, it is not expected that the Joint Liquidators time costs will exceed the fee estimate approved by creditors. However, we reserve the right to reconsider this position in the event circumstances significantly change and a qualifying decision procedure will be considered in this regard, if necessary.

Creditors are advised that the actual remuneration that we can draw in the liquidation is limited to the available funds in the Liquidation estate. We can confirm that there are insufficient assets in the estate to meet our outstanding time costs for the administration of this matter. However, as creditors are aware, pursuant to the terms of the sale, FVWL are required to contribute to the estate a sum sufficient to meet the outstanding fees of the officeholders. We are in ongoing communications with FVWL in this regard.

For the avoidance of doubt, in the event that any unapproved fees remain outstanding to the Joint Liquidators, such costs will be met by FVWL by way of additional contribution to defray the costs and expenses of the officeholders pursuant to the sale agreement. This arrangement will have no implication to the requisite dividend of 35 pence in the pound payable to unsecured creditors.

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

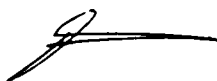
Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, 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.



Paul Appleton
Joint Liquidator

Dated: 28 March 2022

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 6 March 2021 to 5 March 2022

| | <u>Total</u> | <u>Year Ended</u> <u>5-Mar-22</u> |
|--|------------------|--------------------------------------|
| | £ | £ |
| <u>Receipts</u> | | |
| Cash at Bank | 17,744.28 | |
| VAT Refund (Administration) | 2,017.50 | |
| Sale of Business / Unsecured Creditor Contribution | 8,037.00 | 8,037.00 |
| Bank Interest Gross | 12.05 | 0.36 |
| Third Party Funds | 1,320.00 | |
| | <u>29,130.83</u> | <u>8,037.36</u> |
| <u>Payments</u> | | |
| Joint Administrators' Fees | 15,000.00 | |
| Reimbursements | 1,320.00 | |
| | <u>16,320.00</u> | <u>0.00</u> |
| Receipts less Payments | <u>12,810.83</u> | <u>8,037.36</u> |
| Represented by: | | |
| Current Account | 12,810.83 | |
| | <u>12,810.83</u> | |

COSTS AND EXPENSES

- a. Begbies Traynor (London) LLP's charging policy
- b. Time Costs Analysis for the period from 6 March 2021 to 5 March 2022
- c. Cumulative Time Costs Analysis for the period from 6 March 2020 to 5 March 2022.

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 creditors have approved the office holder to draw remuneration on one or a combination of the bases allowed under The Insolvency (England & Wales) Rules 2016. These bases are:

- As a percentage of the value of the assets realised and/or distributed;
- On a time costs basis; or
- As a set amount.

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 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 disbursements (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 disbursements (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.

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.

The following Category 2 expenditures have been approved by Creditors and may be charged to the case:

- ❑ Car mileage is charged at the rate of 45 pence per mile;
- ❑ Storage of books and records: We use a commercial archiving company for storage facilities for *companies' records and papers. This is recharged to the estate at the rate of £10 per box per quarter*, and includes a small charge to cover the administration costs of maintaining the archiving database and retrieval of documents. We also use our own personnel and vehicle for collection of books and records for which we charge £50 per hour;
- ❑ Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate of 150 per meeting;
- ❑ Headed paper and photocopying at 25p per sheet and 6p per sheet, respectively;
- ❑ Envelopes at 25p each; and
- ❑ Postage at actual cost.

Charge-Out Rates

David Rubin & Partners were acquired by Begbies Traynor of 17 March 2021. In the Period, the following charge-out rates applied, as disclosed to Creditors when seeking approval for Liquidators Remuneration.

| | Charge-out rate (£ per hour) 1 March 2019 – until further notice |
|----------------------------|---|
| Grade of staff | |
| Senior / Managing Partners | 550 |
| Partners/Office holders | 495 |
| Managers / Senior Managers | 350 - 395 |
| Senior Administrators | 220 - 295 |
| Administrators | 160 - 200 |
| Cashiers and Assistants | 150 - 295 |
| Support Staff | 120 - 150 |

Time is recorded in 6 minute units.

SIP9 Burden Leisure Limited - Creditors Voluntary Liquidation - 23B521.CVL : Time Costs Analysis From 06/03/2021 To 05/03/2022

[illegible]

SIP9 Burnden Leisure Limited - Creditors Voluntary Liquidation - 23B521.CVL : Cumulative Time Costs Analysis From 06/03/2020 To 05/03/2022

[illegible]

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 | | | | |
| None | | | | |

CUMULATIVE STATEMENT OF EXPENSES

| Type of expense | Name of party with whom expense incurred | Amount incurred £ |
|-----------------|--|----------------------|
| Specific Bond | AXA Insurance | 117.60 |

Specific Bond

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

ADDITIONAL EXPENSES ANTICIPATED FOR FUTURE WORK

| Expenses anticipated to be incurred prior to closure of the case | Name of party with whom expense anticipated to be incurred | Amount estimated to cost £ |
|--|--|-------------------------------|
| Statutory Advertising | Courts Advertising | 103.50 |
| Stationery & Postage | Postworks | 50.00 |

Statutory Advertising

This anticipated additional expense is for publishing statutory advertising in the London Gazette in respect of the notice of intended dividend to unsecured creditors.

Stationery & Postage

Postage, Stationery and Incidentals represents the recovery of costs for stationery, postage and telephone costs for all correspondence and reports sent to the Company's creditors and also its members. Headed paper and pre-printed envelopes were recharged at 25 pence per unit, whilst photocopying, including paper, was recharged at 6 pence per copy.