

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 2 5 9 5 3 5 8

Company name in full Blitz Communications Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Christine

Surname Francis

3 Liquidator's address

Building name/number Thames Tower, Level 12

Street Station Road

Post town Reading

County/Region

Postcode R G 1 1 L X

Country

4 Liquidator's name ①

Full forename(s) Danny

Surname Dartnaill

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Thames Tower, Level 12

Street Station Road

Post town Reading

County/Region

Postcode R G 1 1 L X

Country

② Other liquidator

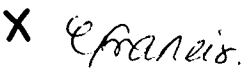
Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	^d	0	^d	7	^m	0	^m	9	^y	2	^y	0	^y	2	^y	0
To date	^d	0	^d	6	^m	0	^m	9	^y	2	^y	0	^y	2	^y	1

7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												

8	Sign and date															
Liquidator's signature	Signature															
	 X															
Signature date	^d	1	^d	2	^m	1	^m	0	^y	2	^y	0	^y	2	^y	1

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Christine Francis**

Company name **BDO LLP**

Address **55 Baker Street**

London

Post town

County/Region

Postcode **W 1 U 7 E U**

Country

DX

Telephone **020 7486 5888**

**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

Blitz Communications Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 07/09/2020 To 06/09/2021 £	From 07/09/2020 To 06/09/2021 £
	FIXED CHARGE ASSETS		
Uncertain	Leasehold Property Improvements	NIL	NIL
Uncertain	Goodwill	NIL	NIL
NIL	Investments	NIL	NIL
		NIL	NIL
	FIXED CHARGE CREDITORS		
(4,034,709.98)	National Westminster Bank PLC	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	93.09	93.09
36,876.56	Book Debts	838.39	838.39
	Canada Life Premium Refunds	2,024.79	2,024.79
Uncertain	Deferred tax	NIL	NIL
	DVLA Refunds	260.00	260.00
25,385.00	Intercompany debts	36,388.03	36,388.03
58,000.00	Motor Vehicles	52,740.00	52,740.00
700.00	Petty cash	681.08	681.08
1,720,000.00	Plant, Equipment, Stock and Fittings	4,071,840.37	4,071,840.37
Uncertain	Prepayments	NIL	NIL
	Solicitors- Refund	40.00	40.00
Uncertain	Work in Progress	NIL	NIL
		4,164,905.75	4,164,905.75
	COST OF REALISATIONS		
	Agents Fees - Gordon Brothers	187,911.73	187,911.73
	Agents Fees - ERA Solutions	3,060.00	3,060.00
	Agents Fees - Metis	1,000.00	1,000.00
	Agents Fees - Nationwide Security	25,647.30	25,647.30
	Bank Charges	30.00	30.00
	Electricity charges	17,548.69	17,548.69
	Insurance of Assets	4,813.22	4,813.22
	Legal Fees - Employment Tribunal clai	42,750.00	42,750.00
	Legal Fees - Intangible Assets	1,795.00	1,795.00
	Legal Fees - Security Review	2,295.00	2,295.00
	Liquidator's Fees	125,000.00	125,000.00
	Other Property Expenses	285.19	285.19
	Rents / Service Charges Payable	208,970.64	208,970.64
	Specific Bond	200.00	200.00
	Stationery & Postage	4,510.23	4,510.23
	Statutory Advertising	176.00	176.00
	Storage Costs	9,157.39	9,157.39
	Valuers Fees - Haslams	1,500.00	1,500.00
		(636,650.39)	(636,650.39)
	PREFERENTIAL CREDITORS		
(86,789.59)	Employees Preferential claim	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDITS		
	National Westminster Bank plc	1,923,286.27	1,923,286.27
		(1,923,286.27)	(1,923,286.27)
	UNSECURED CREDITORS		
(857,542.57)	Employees Unsecured claims	NIL	NIL
(257,151.26)	H M Revenue & Customs	NIL	NIL
(1,511,934.00)	Intercompany creditors	NIL	NIL

Blitz Communications Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 07/09/2020 To 06/09/2021 £	From 07/09/2020 To 06/09/2021 £
(379,230.62)	Landlord	NIL	NIL
(419,096.26)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(254,061.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(5,959,553.72)		1,604,969.09	1,604,969.09
	REPRESENTED BY		
	Bank 2 Current		2,255,603.51
	Trade Creditors		(40,065.00)
	Vat Control Account		(621,932.78)
	Vat Input		8,920.37
	Vat Output		2,442.99
			1,604,969.09

TO ALL CREDITORS AND MEMBERS

12 October 2021

Our Ref.: CF/DXD/00332695/C3

Please ask for: Dhara Dattani
DDI: +44(0) 203 860 6550
Email:
BRCMTLondonAndSouthEast@bdo.co.uk

Dear Madams/Sirs

Blitz Communications Limited - In Creditors' Voluntary Liquidation ('the Company')
Registered number: 02595358

I set out below an annual progress report in accordance with Section 104A of the Insolvency Act 1986 and Rules 18.3 and 18.7 of the Insolvency (England and Wales) Rules 2016 ('the Rules'). This report covers the period from 7 September 2020 to 6 September 2021 ('the Period').

Professional information regarding the Joint Liquidators

The Liquidation commenced on 7 September 2020.

The Joint Liquidators are Christine Francis (officeholder no.: 13596) and Danny Dartnail (officeholder no.: 10110) of BDO LLP, Level 12, Thames Tower, Station Road, Reading, RG1 1LX, who carry out their functions jointly and severally meaning any action can be done by one Liquidator or by both of them.

Receipts & Payments

I attach for your information a summary of my receipts and payments account for the Period. The transactions shown are largely self-explanatory and the account shows a balance in hand of £1,604,969.

Costs in the Liquidation

Detailed below is a summary of the professional fees and expenses which have been accrued and paid in the Period, the costs which have been accrued but not yet paid in the Period and the costs that are anticipated in the future. Please note that these costs are shown net of VAT, which will be reclaimed in the Liquidation.

Professional fees and expenses	Incurred in the Period £	Paid in the Period £	Future costs £
Valuers fees and expenses - Gordon Brothers	187,912	187,912	Nil
Property related costs - Rent / Service charges	208,971	208,971	Nil
Property related costs - Utility providers	17,749	17,549	Nil
Property related costs - Chubb Fire & Security	285	285	Nil
Property related costs - Nationwide Security	25,647	25,647	Nil
Valuers fees and expenses - Haslams	1,500	1,500	Nil
Valuers fees and expenses - Calders	Nil	Nil	3,500

Valuers fees and expenses - Metis Partners	1,000	1,000	Uncertain
Valuers fees and expenses - CAPA	Nil	Nil	Uncertain
Employment agents fees - ERA	3,460	3,060	2,950
Legal fees - IBB Law LLP (Security review)	2,295	2,295	Nil
Legal fees and expenses - Parker & Co / Irwin Mitchell LLP (Employment Tribunal matters)	44,691	42,750	13,749
Legal fees - Irwin Mitchell LLP (Intangible assets)	1,795	1,795	500
Total	495,305	492,764	20,699

Gordon Brothers

Gordon Brothers completed a valuation of the Company's chattel assets prior to liquidation to provide an opinion on the estimated to realise value. Following appointment, they were then engaged to assist in realising these items. This included undertaking an auction process at the former trading premises over an 8 week period and then clearance of the site thereafter. The agents also assisted in negotiating the sale of items that were located at clients' locations both in the UK and abroad.

The agents incurred direct costs of £84,797 which included arranging appropriate marketing material for the assets, coordinating and operating the onsite auction process, arranging the collection of relevant items by successful purchasers and visiting and negotiating the sale of assets located at client locations. In addition to their direct costs, the agents were entitled to a sales commission of 2.5% plus VAT on the realisations achieved. These realisations totalled £4,124,580 and therefore Gordon Brothers received a commission fee of £103,115, bringing total payments to them during the Period to £187,912.

Gordon Brothers have now completed the realisation of the chattel assets and no further fees are therefore due or expected.

Property related costs

As noted in the report to creditors dated 25 February 2021, in order to undertake the onsite auction arrangements were made with the landlord of the Company's trading premises to continue occupying the trading premises over a short term period. This required the payment of any rent and service charges accrued during the period of occupation, which totalled £208,971. Following clearance of the property, the lease agreements were disclaimed and the trading premises were handed back to the landlord.

The onsite auction process also required the ongoing payment for utilities at the trading premises, including electricity, gas, water and the maintenance of the CCTV security system with Chubb Fire & Security, which was an insurance requirement. After handing the premises back to the landlord, final accounts were requested from all providers and the relevant balances have all been paid in the Period with the exception of a nominal final water utility bill for £200 that has since been paid.

In addition, when it became apparent that the realisations from the onsite auction would significantly exceed the original valuation estimate provided by Gordon Brothers, discussions with both the agents and insurance providers indicated that additional security measures would be appropriate, particularly bearing in mind that COVID-19 lockdown restrictions at the time was causing a delay for purchasers in collecting the relevant items from the trading premises. As such, Nationwide Security were engaged to provide 24 hour security guards onsite until the majority of the chattel assets had been collected by the respective purchasers. The cost for these services was based on an hourly rate and totalled £25,647 which has been paid in the Period.



Haslams Chartered Surveyors ('Haslams')

Haslams were engaged by the Joint Liquidators to inspect the leasehold trading premises and provide a market appraisal on whether a premium value could be achieved for the lease agreements. The cost for this appraisal was a fixed fee of £1,500 which has been paid from the liquidation estate.

Calders Chartered Surveyors ('Calders')

Based on current information, it is anticipated that a dividend will be available to unsecured creditors. As part of the process of agreeing claims for dividend purposes, a review will need to be undertaken in respect of the landlord's claim that included significant estimates for dilapidations costs. It is understood that the majority of the repair and restoration works have since been undertaken by the landlord and we are therefore awaiting confirmation of the actual dilapidations costs being claimed.

Calders assisted the Company prior to liquidation in negotiating rent reviews with the landlord and therefore have prior knowledge concerning the condition of the trading premises. It is therefore intended that they will be engaged to complete a review of the landlord's claim once the dilapidations costs have been confirmed. Whilst this work has not yet been undertaken, it is estimated that costs of £3,500 will be incurred for their review.

Metis Partners ('Metis')

As noted in the previous report to creditors, Metis have been engaged to assist in marketing the Company's intangible assets, including any intellectual property such as the domain name. The agent's costs in this matter consist of an upfront fixed fee of £1,000 for preparing the appropriate marketing material, together with sales commission of 25% plus VAT on realisations achieved. The initial upfront fee has been paid during the Period. An offer has been accepted in principle for the intangible assets of the Company and the commission fee due to Metis will be confirmed once this sale has completed.

Consultium Property Ltd ('CAPA')

CAPA have been engaged to assist in a review of prepayments made by the Company in respect of business rates prior to liquidation to ascertain whether any refunds can be claimed after the trading premises were vacated. The agent's costs for this work are based upon a commission fee of 25% plus VAT on all recoveries achieved. No refunds have yet been identified and therefore no fees have been paid during the Period.

ERA Solutions Ltd ('ERA')

ERA were initially engaged to assist in processing the claims of the former employees with the Redundancy Payments Service ('RPS'). The cost for this work is calculated on a fixed rate based on the number of employees and totals £3,060, which has been paid in the Period. ERA have also recently been engaged to assist in communicating with certain former employees regarding their Employment Tribunal claims. The cost for this assistance has been agreed at £400 but has not yet been paid.

Finally, ERA will be engaged to assist in the agreement of any balancing preferential and unsecured claims of former employees once dividends can be declared to these classes of creditor. The cost for their assistance in this respect will also be calculated on a fixed rate based on the number of claims and is estimated at £2,950.



IBB Law LLP ('IBB')

IBB were engaged at the outset of the liquidation to review the security held by National Westminster Bank plc ('the Bank') over the Company's assets to determine whether the charges were valid. They have also been engaged to provide advice on the rights of associated companies to have subrogated claims in the liquidation (i.e. to adopt the secured rights of the Bank) if they discharge balances owed under guarantees given to the Bank, together with advice on the right of the Bank to apply set off in respect of funds held in a separate account to cover a letter of credit on a merchant services agreement. This work has been completed and costs of £2,295 have been accrued and paid in the Period.

Parker & Co solicitors

Parker & Co were originally engaged to assist the Joint Liquidators review 7 Employment Tribunal claims that had been received following liquidation. Whilst they undertook some initial work in reviewing the claims and preparing appropriate response documentation, it became apparent that additional claims had been submitted (overall 58 claims have now been received). This raised the question of the likely impact that these claims would have on the return for creditors and whether the Joint Liquidators were able to settle claims at different levels depending upon individual circumstances. Whilst Parker & Co solicitors specialised in employment law, they had no experience in insolvency legislation. It was therefore agreed that it would be more appropriate to continue with a firm of solicitors that specialised in both areas. Parker & Co incurred costs of £785 for the initial work they completed which has been paid in full from the liquidation.

Irwin Mitchell LLP (Employment Tribunal claims)

Following the initial work undertaken by Parker & Co, Irwin Mitchell LLP were then engaged to continue assisting the Joint Liquidators in dealing with the Employment Tribunal claims. This work has included:

- corresponding with several different tribunal offices to establish whether claims have been submitted to them and then arranging for these claims to be combined and dealt with as one matter;
- providing advice on whether the Joint Liquidators could settle claims at different levels depending on individual circumstances;
- communicating with former employees who had submitted claims in an attempt to agree settlement Consent Orders in respect of the tribunal matters.

During the Period, Irwin Mitchell LLP have incurred costs of £43,906 in undertaking this work and have been paid £41,965. Whilst the level of further costs will be dependent upon the ongoing correspondence with former employees, these are currently estimated to be in the region of £13,749.

Irwin Mitchell LLP (Intangible assets)

Irwin Mitchell LLP have also been engaged to provide advice on whether a database operated by the Company prior to liquidation could be sold as part of the intangibles assets being marketed by Metis. This included reviewing how the database had been operated prior to liquidation and providing advice on the risks associated with data protection regulations. They have also provided assistance in drafting appropriate terms and conditions for the sale of intangible assets that has been agreed in principle. Costs totalling £1,795 have been incurred and paid during the Period.

The professional fees incurred so far are in line with those estimated in the report issued on 25 February 2021 with the exception of the legal costs in dealing with the Employment Tribunal matters. These costs have increased due to an increase in the number of claims coming to light, difficulties experienced with the tribunals in combining all claims as one matter and prolonged correspondence with the former employees over proposed settlement terms.

The payments made in relation to other expenses are discussed in further detail later in this report.

Progress of the Liquidation

The Joint Liquidators have performed their statutory obligations throughout the Period.

To date, this work has primarily focussed on providing initial notification of their appointment, working with various agents to identify and secure the assets of the Company and ensure steps were taken to maximise realisations, completing an initial review of the Company's affairs to ascertain whether there were any actions or claims that could be brought for the benefit of the creditors and corresponding with creditors regarding the likely return from realisations.

Specific details regarding the assets identified and realisations achieved are set out below. As part of this process, work has been undertaken in corresponding with HM Revenue & Customs ('HMRC') regarding the Company's VAT status and the mechanism for accounting for VAT due on asset realisations. At the date of liquidation, it was thought that the Company was already registered for VAT purposes. It subsequently transpired that the Company was part of a group registration with another dormant company. The dormant company was the primary entity listed under the VAT registration and as such, HMRC automatically removed the Company from the group registration. Steps have therefore been taken in the Period to re-register the Company with a different VAT number for the purpose of accounting for VAT due on sales achieved. This process has now been completed and appropriate returns have been submitted for the VAT accrued to date.

In addition to this work, time has been spent in dealing with the claims submitted by former employees to various Employment Tribunals in an attempt to agree settlements with those individuals. There have also been communications with the Bank regarding the validity of its security and balances available from realisations achieved.

Further details of the work that has been undertaken in respect of the claims in the liquidation is also set below under the relevant headings. Information is also provided in respect of the further actions that still need to be taken by the Joint Liquidators.

Assets

Leasehold property improvements

As mentioned in the previous report issued on 25 February 2021, the Company's accounts included costs which had been incurred in improving the leasehold trading premises as an asset with a book value of £3,117. Haslams were engaged to inspect the relevant units and provide a market appraisal on whether any interested parties would pay a premium to take an assignment of the lease agreements.

After considering the lease agreements (including the high level of rent arrears that had accrued prior to liquidation, the relatively short term remaining on the leases and the dilapidations claim submitted by the landlord), Haslams advised that based upon the current market they did not anticipate any interest from third parties seeking an assignment and therefore no premium value was likely to be achieved. Notice was therefore sent to all parties with a vested interest in the

lease agreements of the Joint Liquidators intention to disclaim them as onerous contracts. No objections were received to this proposed action and therefore, once the trading premises had been vacated, the lease agreements were disclaimed and the properties handed back to the landlord.

Intangible assets

The Company's accounts had previously written down the book values for its investments in three subsidiaries, together with any goodwill, to nil. All three subsidiaries were placed into members' voluntary liquidation prior to the Company being wound up and it has since been established that these liquidations have been concluded with no further distributions being available to the Company.

During the Period, the Joint Liquidators have continued to work with Metis to establish what intangible assets are available and then to market and sell the same. This has included working with the wider GES UK group (that the Company was part of) to:

- secure the Company's domain name where the licence was due to expire;
- obtain a backup drive containing the client database previously operated by the Company;
- corresponding with the software provider for the database to ascertain the cost of extracting the data;
- ascertaining how the database had previously been operated and discussing potential data protection risks with both interested parties and Irwin Mitchell LLP;
- reviewing whether there is any prospective value in the work in progress projects that were on hold at the date of liquidation;
- corresponding with the wider GES UK group to ensure there were no associated party claims in respect of the intangible assets.

From the marketing process, three offers were received for the Company's intangible assets all of which separated out a specific value being offered for the database. Following discussions with Irwin Mitchell LLP and Metis, it was concluded that based on the relatively low offers received for the database, the costs of extracting the data and the data protection risks associated with a transfer to an interested party, it was not economical to consider a sale of this item. An offer has therefore been accepted in principle for the remaining intangible assets that have been identified including the domain name and Company name. Metis are currently taking steps to finalise the terms and conditions of sale with the interested party.

Chattel assets

The Statement of Affairs and previous report to creditors set out the Company's key assets which consisted of its plant, equipment, stock, fittings and motor vehicles. These items were either located at the trading premises or at clients locations. Gordon Brothers indicated that the plant, equipment, stock and fittings had an estimated to realise value of £1,720,000, with motor vehicles estimated to realise £58,000.

At the outset of the liquidation, time was spent discussing with Gordon Brothers how best to maximise realisations for these items. Taking account of the likely costs that would be incurred in removing all items from the trading premises and then storing them at a separate location for sale purposes, Gordon Brothers recommended that the most cost effective method would be to complete an onsite auction over a period of 8 weeks. This would preclude the need for incurring removal costs and would also take advantage of the Company's organised storage facilities that were already in place.

The marketing campaign was completed via the agent's website, online brochures and trade catalogues. Gordon Brothers coordinated this auction which included inventorying all items, creating and monitoring an online auction platform, supervising viewings onsite with interested parties, collecting payments upon completion of the auction process and making arrangements for purchasers to collect items from the site whilst complying with lockdown restrictions. They also assisted in discussions with the landlord to agree continued occupation of the site for a short term period.

As previously advised, the auction process concluded during November 2020, and clearance of all other items from site was completed by the end of December 2020, after which the premises were handed back to the landlord.

In addition to the above, Gordon Brothers also assisted with the following work:

- attending at other clients' locations where assets were held and negotiating sales to those clients in-situ to prevent incurring costs in collecting and returning the items to the trading premises;
- coordinating appropriate times for former employees to collect personal items on site;
- providing access for the Company's books and records to be collected;
- working with the Joint Liquidators to identify and arrange collection of any third party items located on site (including financed assets which were disclaimed);
- collecting the petty cash balance held by a former employee;
- coordinating security on site with Nationwide Security;
- assisting in the final handover of the premises back to the landlord.

Once the Company was re-registered for VAT purposes, Gordon Brothers provided their final account setting out the realisations achieved:

- Plant, equipment, stock and fittings - £4,071,840
- Motor vehicles - £52,740
- Petty cash - £681

As noted above and in the previous report, whilst the property related costs (including security costs) may initially appear significant, bearing in mind the sales achieved it was appropriate to incur these to ensure that assets were protected and realisations have been maximised for the benefit of all creditors.

Book debts

The Statement of Affairs indicated that the Company had a ledger with a book value of £49,169 which was estimated to realise £36,876. Following appointment, it was established that the outstanding book debts actually totalled £33,323, of which £24,134 was owed by one client based in the USA.

Steps have been taken to pursue the relevant clients for payment of the balances owed. A nominal balance of £838 has been received with all other debtor balances (excluding the main debtor in the USA) having now been written off as they are uneconomical to pursue further. Enquiries are continuing in respect of the client based in the USA to determine whether they are still active or have entered formal insolvency proceedings in that jurisdiction.

Intercompany Debts

The book value of these debts totalled £5,229,282 and was made up of 3 associated companies:

- (i) Blitz Communications Group Ltd ('BCGL') - £4,938,443;
- (ii) Telecast Communications (Audio Visual) Ltd ('Telecast') - £265,454;
- (iii) GES Event Intelligence Ltd - £25,385.

Debtors (i) and (ii) were dormant holding companies which have since been placed into creditors' voluntary liquidation with insolvency practitioners at RSM acting as officeholders. Claims have been submitted in both liquidations, however, based upon the Statement of Affairs prepared for BCGL and Telecast and subsequent correspondence from RSM, there is no anticipated return on these claims.

Upon reconciling the group accounts, it was determined that debtor (iii) actually owed £36,388 which has been paid into the liquidation during the Period.

Deferred tax

As previously stated, the Company's accounts included a deferred tax asset. Following appointment, the Joint Liquidators have worked with tax specialists within BDO LLP to review the historic corporation tax computations prepared and to establish whether realisations can be achieved for the benefit of creditors. This work has included considering whether the submission of outstanding corporation tax returns would provide a financial benefit to the wider GES UK group that could result in consideration being paid to the Company for those benefits. It has also included calculating the potential corporation tax liability arising from the significant chattel asset realisations and ensuring sufficient capital allowances are available to mitigate that liability.

Work on this matter is currently ongoing and the Joint Liquidators are considering the impact of any additional realisations in respect of the deferred tax asset on the return to each class of creditor.

Prepayments

As noted above and in the previous report of 25 February 2021, CAPA have been engaged to review the position with business rates prepayments made by the Company to establish whether any refunds are due. They are currently awaiting additional information from the relevant local authorities regarding accounts due up to the date of liquidation.

Refunds

Whilst not included in the Statement of Affairs, the following refunds have been identified and received during the Period:

- DVLA motor vehicle tax - £260
- Canada Life income protection policy - £2,025
- Solicitor's client account - £40

As can be seen from the above commentary, the outstanding assets still to be dealt with include the sale of the intangible assets, determining whether payment can be achieved from the remaining debtor based in the USA and establishing whether there are any realisations from the deferred tax asset and prepayments. I can confirm that there are no assets of a peculiar or special nature which cannot be sold and consequently, there has been no distribution of unsold assets to creditors, as mentioned in Rules 18.10/14.13 of the Rules.



Future Prospects for Creditors

Secured Creditors

The Bank holds a fixed and floating charge debenture over the Company's assets, together with an unlimited composite guarantee from other companies included in the wider GES UK group. This composite guarantee includes BCGL, which is in creditors' voluntary liquidation. IBB have reviewed and confirmed the validity of the charges and guarantee.

It was initially estimated that the balance of £4,034,710 was owed to the Bank from facilities provided to the Company.

Following appointment, it was established that the Bank held £51,000 in a separate account relating to a letter of credit that it had provided on the Company's behalf to WorldPay for a merchant services agreement. WorldPay subsequently submitted a claim for £244 in the liquidation relating to outstanding claims under the service agreement. Subject to the letter of credit provided by the Bank, WorldPay's claim has been discharged from the funds held in the separate account and the balance was then released and set off against the Bank's indebtedness reducing its claim in the liquidation.

As noted above, the unlimited composite guarantee across the wider GES UK group of companies included BCGL. Upon liquidation, BCGL owed the balance of £2,749,367 to the Bank and a formal demand was subsequently issued to all companies subject to the guarantee, including the Company. This therefore increased the Bank's overall claim in this liquidation to £6,672,653.

The debenture entitles the Bank to receive repayment of its liability from certain asset realisations (after the deduction of costs), in priority to other creditors. Taking account of the extent of realisations achieved so far and after retaining sufficient funds for the payment of preferential creditors in full, together with the maximum prescribed part available to unsecured creditors (see further details below), it was determined that funds remained to provide a first interim distribution to the Bank under its fixed and floating charge.

On 29 June 2021, the Joint Liquidators declared and paid to the Bank a first interim distribution of £1,923,286.27. The timing and quantum of any subsequent distributions will depend on future realisations, the conclusion of the Employment Tribunal claims and the level of any payments made to the Bank by the wider GES UK group under the unlimited composite guarantee. IBB have reviewed this final position and confirmed that any associated company that did make payments to the Bank in respect of the Company's indebtedness under a guarantee, would only obtain subrogated rights once the Bank had been repaid in full.

Preferential creditors

Preferential claims represent monies due to former employees in respect of certain arrears of wages or protective awards (capped at a combined limit of £800 per employee), accrued holiday pay and certain pension arrears. All other balances owed to former employees are classed as unsecured claims. These limits also apply to any claim submitted by the RPS in respect of payments that they make to employees.

Prior to liquidation, the Company employed 84 staff members most of whom were made redundant on 17 August 2020. There were 4 individuals who were retained in the period leading up to liquidation, who assisted in preparing the inventory of chattel assets for Gordon Brothers. These individuals were automatically made redundant upon the Joint Liquidators' appointment.

The Statement of Affairs estimated that preferential claims totalled £86,790. ERA have assisted former employees in submitting their claims to the RPS and further work will be undertaken by them and the Joint Liquidators in agreeing any balancing sums owed for dividend purposes, after taking account of payments made by the RPS.

Based on current information, it appears likely that there will be sufficient funds available to provide payment in full to preferential creditors. Whilst there are funds in hand to declare such a dividend, this cannot be completed until the Employment Tribunal claims noted below have been settled. This is due to the fact that the level at which the tribunal claims are ultimately agreed will adjust how the £800 combined preferential limit on arrears of wages and protective awards is apportioned between the RPS and any balancing claim each individual employee has. The RPS is therefore unable to confirm its claim in the liquidation until the tribunal matters have been concluded.

Employment Tribunal claims

As mentioned above, the Joint Liquidators are aware of 58 employees who have submitted Employment Tribunal claims for protective awards. The maximum amount that a tribunal can award an individual employee in this regard is 90 days. Based on the salaries for the individuals who have submitted claims, it is therefore estimated that this could increase the unsecured claims in the liquidation by up to £621,645 which in turn, would impact on the level of dividend available to that class of creditor.

Having reviewed the position with Parker & Co and then Irwin Mitchell LLP, it was established that there were possible areas to mitigate the tribunal claims taking account of the location where certain individuals worked, the fact that the redundancies occurred during the unprecedented circumstances surrounding the COVID-19 pandemic and the communications issued by the Company during this period. Furthermore, due to a backlog in claims being received by the Employment Tribunals (primarily as a result of the COVID-19 pandemic) there was a significant risk that a final hearing would not be held by the tribunals until 2023, which would mean that the preferential and unsecured claims of both the RPS and former employees could not be agreed until then, delaying dividends being paid to creditors from funds available.

Based on the above, the Joint Liquidators have been working with Irwin Mitchell LLP to try and reach a settlement with those former employees who have submitted protective award claims by way of a Consent Order. If all former employees can agree to a settlement via the Consent Order, this will remove the requirement for the final tribunal hearing, therefore resulting in both preferential and unsecured claims being agreed sooner enabling distributions to be made.

To date, the majority of the former employees have agreed in principle to the Consent Order proposals. We are continuing to work with Irwin Mitchell LLP to deal with the queries raised by the remaining former employees.

Unsecured creditors

The Statement of Affairs detailed 260 unsecured creditors totalling £3,424,955. This included unsecured balances owed to the former employees (excluding the protective award claims mentioned above). To date, the Joint Liquidators have received claims totalling £3,594,341.

Due to the level of realisations already achieved, it is anticipated that a dividend will be available to unsecured creditors by way of the Prescribed Part provision. In order to declare such a dividend, the Joint Liquidators will have to undertake further work to review and agree those claims submitted in the liquidation. This work will include the following key factors:

- (i) reviewing the claims submitted by the landlord, in particular in respect of dilapidations, to ascertain whether these are reasonable;
- (ii) continuing to seek settlement of the Employment Tribunal claims to enable the preferential and unsecured claims of the RPS and former employees to be determined;
- (iii) reviewing claims received from former clients of the Company for breach of contract.

Prescribed Part

Under the provisions of Section 176A of the Insolvency Act 1986, where a company has granted a floating charge after 15 September 2003, a proportion of the net property available to the floating charge holder is set aside for unsecured creditors (known as the Prescribed Part). The Prescribed Part is calculated as follows:

- 50% of the first £10,000 of net property available;
- 20% of the remaining net property available, up to a maximum Prescribed Part of £600,000.

The fixed and floating charge debenture held by the Bank was created on 17 February 2015. As such, the Prescribed Part provisions apply in this liquidation.

Based on the realisations achieved so far, it is anticipated that the maximum Prescribed Part of £600,000 will be available for unsecured creditors.

Investigations

The Joint Liquidators have a duty to investigate the affairs of the Company and the conduct of the directors, and in respect of the latter, to submit a confidential report to the Secretary of State. A report has been submitted in this respect. Please note that this report is confidential and therefore cannot be disclosed to creditors without the prior permission of the Secretary of State.

As previously reported, following an initial review into the Company's affairs and assets no actions or claims have been identified that could be brought for the benefit of creditors.

Joint Liquidators' Remuneration

Pursuant to the Rules, the Joint Liquidators are obliged to fix their remuneration in accordance with Rule 18.16. This permits remuneration to be fixed either:

- as a percentage of the assets realised and distributed;
- by reference to the time the Joint Liquidators and the staff have spent attending to matters in the liquidation;
- as a set amount; or
- as a combination of the above.

The creditors approved the Joint Liquidators' remuneration on a time cost basis on 15 March 2021 in line with the Fees Estimate dated 19 February 2021, which totalled £150,024.05.

To date, the Joint Liquidators have drawn £125,000 in respect of remuneration as shown on the enclosed receipts and payments account.

Please note that BDO LLP changed its time recording systems with effect from 17 April 2021. I therefore attach two detailed reports of the time incurred by the Joint Liquidators for the periods:



- 7 September 2020 to 16 April 2021
- 17 April 2021 to 6 September 2021

The reports read in conjunction cover the total time incurred by the Joint Liquidators in the Period.

Also attached is the original Fees Estimate annotated with a column showing the time costs accrued in respect of each activity for comparison purposes. In the period, total time costs of £215,756 have been incurred over 644 hours at an average rate of £335 per hour which exceeds the original Fees Estimate.

The most notable differences between the original Fees Estimate and the time incurred in the Period relates to the work undertaken in the following areas:

General administration

The time recorded under these categories includes the additional work that has been undertaken in respect of clarifying and then re-registering the Company for VAT purposes so that the VAT accrued on sales could be accounted for. It also includes the additional time that has been spent working with tax specialists within BDO LLP to ensure sufficient capital allowances were available to cover any tax liabilities arising from the significant increase in chattel assets realisations.

Asset realisations

Work undertaken in these categories has increased due to additional steps taken in identifying and securing the Company's intangible assets, including the reviews that have been undertaken with Irwin Mitchell LLP into the data protection risks surrounding the database. The time recorded also includes work undertaken in relation to the trading premises, ensuring these were appropriately cleared and handed back to the landlord and that the final utility accounts were received and paid.

Employee matters

These costs have primarily increased from the original Fees Estimate as a result of the additional work undertaken in dealing with the Employment Tribunal claims and attempting to agree a settlement with the former employees to mitigate the impact both in terms of timing and quantum of distributions to creditors.

Creditor claims

Additional time has been spent under these categories in corresponding with and reporting to the Bank in respect of the review of its security and the position with the WorldPay separate account and letter of credit. Time has also been spent in corresponding with the wider GES UK group in respect of claims in the liquidation, the estimated outcome for each class of creditor and whether subrogated rights become available to them if an associated company discharged balances owed to the Bank under guarantees given.

As noted in this report, the main outstanding areas of work still to be undertaken include finalising realisations in respect of intangible assets, deferred tax, prepayments and the remaining debtor in the USA, together with settling the Employment Tribunal claims position. Depending on the outcome of these matters and the work undertaken to achieve them, the Joint Liquidators may seek agreement from the creditors to an increase to the Fees Estimate cap.



For guidance, I enclose a document that outlines the policy of BDO LLP in respect of fees and disbursements.

Joint Liquidators' Expenses

In addition to the professional fees and expenses noted earlier in this report, the following expenses have also been incurred and paid in the Period:

Expenses	Incurred in the Period £	Paid in the Period £
Bank charges	30.00	30.00
Insurance of assets (Marsh)	4,813.22	4,813.22
Specific Bond (AON)	200.00	200.00
Stationery & Postage (Black & Callow)	4,510.23	4,510.23
Statutory Advertising (EPE Reynell)	176.00	176.00
Storage Costs (EDM Group)	9,157.39	9,157.39
Total	18,886.84	18,886.84

The expenses listed above are largely self-explanatory. Following completion of the chattel asset realisations and having handed the trading premises back to the landlord, the relevant insurance cover was cancelled and as such, no further costs are expected to be incurred in this regard. The storage costs represents expenses incurred in boxing up, removing and then storing the Company's physical records for a two year period up to October 2022. If the liquidation has not been concluded by this point, additional storage costs may be incurred.

Furthermore, the stationery and postage costs represent the expenses incurred in issuing the initial notices to creditors regarding the liquidation, which included copies of the Statement of Affairs and report on the Company's financial position. As noted in the letter confirming the Joint Liquidators appointment, all further reports on the liquidation will be made available using the online portal details provided, however, there may be some circumstances where further physical letters will need to be issued (e.g. in respect of distributions being declared) and as such, additional stationery and postage costs will be incurred.

Creditors' rights

I provide at the end of this report an extract from the Rules setting out the rights of creditors to request further information and/or challenge the remuneration or expenses within the liquidation.

Creditors may access information setting out creditors' rights in respect of the approval of the Joint Liquidators' remuneration and on the rights, duties and functions of a liquidation committee at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.

The Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code can be found at: <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

The Insolvency Service has established a central gateway for considering complaints in respect of insolvency practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.



If you require any further information, please contact me or my colleague Dhara Dattani at BRCMTLondonAndSouthEast@bdo.co.uk.

Yours faithfully
For and on behalf of
Blitz Communications Limited

A handwritten signature in cursive script that reads 'C Francis'.

Christine Francis
Joint Liquidator
Authorised by the Institute of Chartered Accountants in England & Wales in the UK

Enclosures:
Receipts & Payments account
Time cost reports for the Period
Fee Estimate to Accrued Time Comparison
BDO LLP Policy in respect of fees and expenses
Statement of creditors' rights in respect of fees and expenses

Blitz Communications Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 07/09/2020 To 06/09/2021 £	From 07/09/2020 To 06/09/2021 £
	FIXED CHARGE ASSETS		
Uncertain	Leasehold Property Improvements	NIL	NIL
Uncertain	Goodwill	NIL	NIL
NIL	Investments	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	FIXED CHARGE CREDITORS		
(4,034,709.98)	National Westminster Bank PLC	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	ASSET REALISATIONS		
	Bank Interest Gross	93.09	93.09
36,876.56	Book Debts	838.39	838.39
	Canada Life Premium Refunds	2,024.79	2,024.79
Uncertain	Deferred tax	NIL	NIL
	DVLA Refunds	260.00	260.00
25,385.00	Intercompany debts	36,388.03	36,388.03
58,000.00	Motor Vehicles	52,740.00	52,740.00
700.00	Petty cash	681.08	681.08
1,720,000.00	Plant, Equipment, Stock and Fittings	4,071,840.37	4,071,840.37
Uncertain	Prepayments	NIL	NIL
	Solicitors- Refund	40.00	40.00
Uncertain	Work in Progress	NIL	NIL
		<u>4,164,905.75</u>	<u>4,164,905.75</u>
	COST OF REALISATIONS		
	Agents Fees - Gordon Brothers	187,911.73	187,911.73
	Agents Fees - ERA Solutions	3,060.00	3,060.00
	Agents Fees - Metis	1,000.00	1,000.00
	Agents Fees - Nationwide Security	25,647.30	25,647.30
	Bank Charges	30.00	30.00
	Electricity charges	17,548.69	17,548.69
	Insurance of Assets	4,813.22	4,813.22
	Legal Fees - Employment Tribunal clai	42,750.00	42,750.00
	Legal Fees - Intangible Assets	1,795.00	1,795.00
	Legal Fees - Security Review	2,295.00	2,295.00
	Liquidator's Fees	125,000.00	125,000.00
	Other Property Expenses	285.19	285.19
	Rents / Service Charges Payable	208,970.64	208,970.64
	Specific Bond	200.00	200.00
	Stationery & Postage	4,510.23	4,510.23
	Statutory Advertising	176.00	176.00
	Storage Costs	9,157.39	9,157.39
	Valuers Fees - Haslams	1,500.00	1,500.00
		<u>(636,650.39)</u>	<u>(636,650.39)</u>
	PREFERENTIAL CREDITORS		
(86,789.59)	Employees Preferential claim	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	FLOATING CHARGE CREDTS		
	National Westminster Bank plc	1,923,286.27	1,923,286.27
		<u>(1,923,286.27)</u>	<u>(1,923,286.27)</u>
	UNSECURED CREDITORS		
(857,542.57)	Employees Unsecured claims	NIL	NIL
(257,151.26)	H M Revenue & Customs	NIL	NIL
(1,511,934.00)	Intercompany creditors	NIL	NIL

Blitz Communications Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 07/09/2020 To 06/09/2021 £	From 07/09/2020 To 06/09/2021 £
(379,230.62)	Landlord	NIL	NIL
(419,096.26)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(254,061.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(5,959,553.72)		1,604,969.09	1,604,969.09
	REPRESENTED BY		
	Bank 2 Current		2,255,603.51
	Trade Creditors		(40,065.00)
	Vat Control Account		(621,932.78)
	Vat Input		8,920.37
	Vat Output		2,442.99
			1,604,969.09

Name of Assignment

Blitz Communications Limited

00332695

Detail of Time Charged and Rates Applicable for the Period From 07/09/2020 to 16/04/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total
	£		£		£		£		£		£		£	
B. Steps on Appointment														
01. Review Appointment Validity			0.30	138.00									0.30	138.00
02. Statutory Documentation			3.10	1,340.80	3.55	465.05			12.30	1,785.30			18.95	3,591.15
06. Third Party Discussions									0.40	105.20			0.40	105.20
08. Detail Documentation Review			0.20	92.00					0.85	223.55			1.05	315.55
10. Prepare Financial Data									1.10	289.30			1.10	289.30
99. Other Matters			0.55	253.00					0.25	17.75			0.80	270.75
sub total -			4.15	1,823.80	3.55	465.05			14.90	2,421.10			22.60	4,709.95
B. Steps on Appointment														
C. Planning and Strategy														
01. Historic Performance Review									1.30	353.60			1.30	353.60
02. Review Financial Position									1.95	542.55			1.95	542.55
07. Strategy Planning			6.65	3,595.90					2.00	550.30			8.65	4,146.20
99. Other Matters	4.00	3,152.00											4.00	3,152.00
sub total -	4.00	3,152.00	6.65	3,595.90					5.25	1,446.45			15.90	8,194.35
C. Planning and Strategy														
D. General Administration														
01. Insurance Matters			4.55	2,104.80									4.55	2,104.80

Name of Assignment **Blitz Communications Limited** **00332695**

Detail of Time Charged and Rates Applicable for the Period From 07/09/2020 to 16/04/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total
	£		£		£		£		£		£		£	
02. VAT			4.35	2,455.30					9.20	2,549.20			13.55	5,004.50
03. Taxation	2.70	2,775.80	2.50	1,309.30					1.95	521.85			7.15	4,606.95
05. Investigations			4.00	1,975.70					3.45	921.75			7.45	2,897.45
06. Conduct Reports			0.70	404.60					10.70	2,840.20			11.40	3,244.80
07. Receipts Payments Accounts	0.25	139.75	2.05	376.00			1.60	107.20	33.05	7,164.05	1.20	123.35	38.15	7,910.35
08. Remuneration Issues			1.15	605.70					2.35	636.05	0.65	59.80	4.15	1,301.55
09. Statutory Matters					1.35	190.85			11.35	3,085.85			12.70	3,276.70
13. General Meetings									3.30	895.80			3.30	895.80
14. General Discussions			1.50	514.00					2.75	594.55			4.25	1,108.55
15. Gen. Admin. Correspondence			6.15	3,232.10	4.50	641.50			59.75	9,094.60	10.40	620.65	80.80	13,388.85
sub total -	2.95	2,915.55	26.95	12,977.50	5.85	832.35	1.60	107.20	137.85	28,303.90	12.25	803.80	187.45	45,940.30
D. General Administration														
E. Assets Realisation/Dealing														
02. Evaluation/Reconciliation									0.20	52.60			0.20	52.60
03. Asset Tracing									2.95	823.55			2.95	823.55
04. Agent Instruction/Liasing			0.10	46.00					10.85	2,909.35			10.95	2,955.35

Name of Assignment **Blitz Communications Limited** **00332695**

Detail of Time Charged and Rates Applicable for the Period From 07/09/2020 to 16/04/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
06. Property Related Matters			20.80	10,582.80					22.15	6,051.35			42.95	16,634.15
07. Debt Collection			7.55	4,009.90					18.15	5,005.65			25.70	9,015.55
08. Dealing with Chattel Assets			9.25	4,284.50					1.45	381.35			10.70	4,665.85
09. Dealing with other Assets			14.40	7,455.90					9.15	2,568.45			23.55	10,024.35
10. HP Leasing Matters			2.35	1,234.40					3.20	856.90			5.55	2,091.30
11. Disclaiming Assets									9.15	2,520.75			9.15	2,520.75
12. Retention of Title			1.40	644.00					1.75	473.75			3.15	1,117.75
99. Other Matters			0.70	357.40									0.70	357.40
sub total -			56.55	28,614.90					79.00	21,643.70			135.55	50,258.60
E. Assets Realisation/Dealing														
G. Employee Matters														
02. Dealing with Employees			4.75	2,305.30	0.35	45.85			1.55	407.65			6.65	2,758.80
03. EPA Matters			29.15	16,223.30									29.15	16,223.30
04. Pension Issues			1.95	811.80					2.00	526.00			3.95	1,337.80
99. Other Matters			2.15	1,042.10	0.35	45.85			11.65	3,257.45			14.15	4,345.40

Name of Assignment **Blitz Communications Limited** **00332695**

Detail of Time Charged and Rates Applicable for the Period From 07/09/2020 to 16/04/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
sub total -														
G. Employee Matters			38.00	20,382.50	0.70	91.70			15.20	4,191.10			53.90	24,665.30
H. Creditor Claims														
01. Validity of charges			1.80	1,040.40									1.80	1,040.40
02. Secured Creditors			5.95	3,197.20					5.00	1,402.30			10.95	4,599.50
03. Preferential Creditors			0.35	202.30					0.65	182.65			1.00	384.95
04. Non-Preferential Creditors			2.65	1,416.00					8.45	2,041.60	0.20	19.00	11.30	3,476.60
06. Other Creditors									0.20	52.60			0.20	52.60
sub total -			10.75	5,855.90					14.30	3,679.15	0.20	19.00	25.25	9,554.05
H. Creditor Claims														
I. Reporting														
01. Statutory Reporting			0.70	404.60	2.85	430.35							3.55	834.95
04. Reporting to Creditors			5.50	3,088.40					14.90	3,366.55			20.40	6,454.95
sub total -			6.20	3,493.00	2.85	430.35			14.90	3,366.55			23.95	7,289.90
I. Reporting														
Net Total													150,612.45	
Secretarial Expense													0.00	
Other Disbursements													0.00	
Billed													0.00	

Name of Assignment **Blitz Communications Limited** **00332695**

Detail of Time Charged and Rates Applicable for the Period From 07/09/2020 to 16/04/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total
	£		£		£		£		£		£		£	
Grand Total													150,612.45	

Name of Assignment Blitz Communications Limited - CVL - 00332695

Detail of Time Charged and Rates Applicable for the Period From 17 April 2021 to 6 September 2021

Activity	Partner	Director	Senior Manager	Manager	Senior Executive	Executive	Total hours	Time Costs £	Av. Rate £/h
Statutory Documentation					2.70		2.70	766.35	283.83
STEPS ON APPOINTMENT					2.70		2.70	766.35	283.83
Historic Performance Review		1.40			1.30		2.70	1,178.55	436.50
Review Financial Position					6.55		6.55	1,869.80	285.47
Strategy Planning		6.90			2.60		9.50	4,736.80	498.61
PLANNING AND STRATEGY		8.30			10.45		18.75	7,785.15	415.21
Insurance Matters		0.40					0.40	231.20	578.00
VAT		1.45			5.65	3.00	10.10	2,394.30	237.06
Taxation		0.20					0.20	115.60	578.00
Investigations		0.50			0.45		0.95	419.05	441.11
Conduct Reports					2.20		2.20	624.95	284.07
Receipts/Payments	0.50	2.10			20.40	10.75	33.75	7,486.85	221.83
Accounts									
Remuneration Issues		1.35			0.65	2.35	4.35	1,201.60	276.23
General Meetings		0.10					0.10	57.80	578.00
General Discussions		0.95			0.20		1.15	613.40	533.39
Gen. Admin/Correspondence			0.20	0.35	5.05	6.35	11.95	1,786.45	149.49
GENERAL ADMINISTRATION	0.50	7.05	0.20	0.35	34.60	22.45	65.15	14,931.20	229.18
Asset Tracing					1.90		1.90	537.50	282.89

Name of Assignment Blitz Communications Limited - CVL - 00332695

Detail of Time Charged and Rates Applicable for the Period From 17 April 2021 to 6 September 2021

Activity	Partner	Director	Senior Manager	Manager	Senior Executive	Executive	Total hours	Time Costs £	Av. Rate £/h
Agent Instruction/Liasing					9.10		9.10	2,584.55	284.02
Property Related Matters		0.70			1.95		2.65	954.35	360.13
Debt Collection		1.05			0.65		1.70	791.35	465.50
Dealing with Chattel Assets		1.95					1.95	1,138.80	584.00
Dealing with other Assets		11.05			1.20		12.25	6,832.10	557.72
HP/Leasing Matters		0.10					0.10	59.60	596.00
ASSETS REALISATION/DEALING		14.85			14.80		29.65	12,898.25	435.02
Dealing with Employees					12.60		12.60	3,572.55	283.54
EPA Matters		21.45					21.45	12,580.80	586.52
Other Matters					1.45		1.45	407.45	281.00
EMPLOYEE MATTERS		21.45			14.05		35.50	16,560.80	466.50
Secured Creditors		11.70			4.15		15.85	7,964.75	502.51
Preferential Creditors					0.60		0.60	168.60	281.00
Non-Preferential Creditors		3.00			4.70	2.50	10.20	3,435.80	336.84
CREDITOR CLAIMS		14.70			9.45	2.50	26.65	11,569.15	434.11
Distributions		0.90			0.40		1.30	632.60	486.62
DISTRIBUTION AND CLOSURE		0.90			0.40		1.30	632.60	486.62

Name of Assignment Blitz Communications Limited - CVL - 00332695

Detail of Time Charged and Rates Applicable for the Period From 17 April 2021 to 6 September 2021

Activity	Partner	Director	Senior Manager	Manager	Senior Executive	Executive	Total hours	Time Costs £	Av. Rate £/h
Administration					0.10		0.10	28.10	281.00
LMS					0.10		0.10	28.10	281.00
Total	0.50	67.25	0.20	0.35	86.55	24.95	179.80	65,171.60	362.47

Blitz Communications Limited - In Liquidation

Fees Estimate as at 19 February 2021 compared to accrued time as at 6 September 2021

Joint Liquidators' Fees Estimate	Estimated Total Hours	Estimated Blended Rate £	Estimated Fee £	Actual Accrued Costs £
Summary Activity				
A. Pre Appointment Matters	0.00	0.00	0.00	0.00
TOTAL			0.00	0.00
B. Steps on Appointment	1.25	295.04	493.80	5,476.30
C. Planning and Strategy	35.15	301.58	10,600.70	15,979.50
D. General Administration	164.40	260.86	42,884.60	60,871.50
E. Asset Realisations	131.60	308.46	40,593.35	63,156.85
F. Trading Related Matters	0.00	0.00	0.00	0.00
G. Employee Matters	70.70	309.90	21,909.65	41,226.10
H. Creditor Claims	75.85	192.67	14,613.95	21,123.20
I. Reporting	43.35	230.47	9,990.75	7,289.90
J. Distribution and Closure	41.45	215.62	8,937.25	632.60
TOTAL			150,024.05	215,755.95

Expenses Estimate

Officeholder CAT 1 Disbursements	16,701	18,257
Officeholder CAT 2 Disbursements	Nil	Nil
Agents costs	3,820	3,460
Valuers costs	195,412	190,412
Solicitors costs	28,000	48,781
Other costs	253,532	252,452

In accordance with best practice I provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above Company.



The current charge out rates per hour of staff within my firm who may be involved in working on this case are:

GRADE	£
Partner	711
Director	340-596
Senior Manager	284-497
Manager	155-363
Senior Executive	124-254
Executive	76-132

This in no way implies that staff at all such grades will work on the case. The rates charged by BDO LLP are reviewed periodically and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records time for this case under the following categories: -

Pre Appointment
Steps on Appointment
Planning and Strategy
General Administration
Asset Realisation/Management
Trading Related Matters
Employee Matters
Creditor Claims
Reporting
Distribution and Closure.

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 10 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.

Expenses

Expenses including disbursements (costs incurred in the case which have been paid by the firm and are recharged to the estate) can be divided into two categories.



1) Category 1 expenses

These are expenses relating directly to the estate incurred by an independent third party. In addition to professional fees and expenses, such expenses may include items such as bonding, advertising, insurance, external printing and postage costs, couriers, travel (by public transport), company and land registry searches, fees in respect of swearing legal documents and storage of the Company's records.

Creditor approval is not required to pay category 1 expenses.

2) Category 2 expenses

These are expenses relating directly to the estate which have been incurred by an associated party or which have an element of shared costs.

We propose to recover from the estate the cost of travel where staff use either their own vehicles or company cars in travelling connected with the Company. In these cases, a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff.

Creditor approval is required to pay category 2 expenses from the estate.

Where applicable, expenses will be subject to VAT at the prevailing rate.

Statement from the Insolvency (England and Wales) Rules 2016 regarding the rights of creditors in respect of the Joint Liquidators' fees and expenses:

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

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

- (a) a secured creditor;
 - (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
 - (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
 - (d) any unsecured creditor with the permission of the court; or
 - (e) any member of the company in a members' voluntary winding up with the permission of the court.
- (2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.
- (3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—
- (a) providing all of the information requested;
 - (b) providing some of the information requested; or
 - (c) declining to provide the information requested.
- (4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—
- (a) the time or cost of preparation of the information would be excessive; or
 - (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
 - (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
 - (d) the office-holder is subject to an obligation of confidentiality in relation to the information.
- (5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.
- (6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—
- (a) the office-holder giving reasons for not providing all of the information requested; or
 - (b) the expiry of the 14 days within which an office-holder must respond to a request.
- (7) The court may make such order as it thinks just on an application under paragraph (6).

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

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

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
 - (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
 - (c) the expenses incurred by the office-holder are in all the circumstances excessive.
- (2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—
- (a) a secured creditor,
 - (b) an unsecured creditor with either—
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
 - (c) in a members' voluntary winding up—
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.

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

Applications under rules 18.34 and 18.35 where the court has given permission for the application

18.36.—(1) This rule applies to applications made with permission under rules 18.34 and 18.35.

(2) Where the court has given permission, it must fix a venue for the application to be heard.

(3) The applicant must, at least 14 days before the hearing, deliver to the office-holder a notice stating the venue and accompanied by a copy of the application and of any evidence on which the applicant intends to rely.

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

(a) an order reducing the amount of remuneration which the office-holder is entitled to charge;

(b) an order reducing any fixed rate or amount;

(c) an order changing the basis of remuneration;

(d) an order that some or all of the remuneration or expenses in question is not to be treated as expenses of the administration, winding up or bankruptcy;

(e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —

(i) the administrator or Liquidator or the administrator's or Liquidator's personal representative to the company, or

(ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;

(f) any other order that it thinks just.

(5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.

(6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration, winding up or bankruptcy.

Applications under rule 18.34 where the court's permission is not required for the application

18.37.—(1) On receipt of an application under rule 18.34 for which the court's permission is not required, the court may, if it is satisfied that no sufficient cause is shown for the application, dismiss it without giving notice to any party other than the applicant.

(2) Unless the application is dismissed, the court must fix a venue for it to be heard.

(3) The applicant must, at least 14 days before any hearing, deliver to the office-holder a notice stating the venue with a copy of the application and of any evidence on which the applicant intends to rely.

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

(a) an order reducing the amount of remuneration which the office-holder is entitled to charge;

(b) an order reducing any fixed rate or amount;

(c) an order changing the basis of remuneration;

(d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration or winding up or bankruptcy;

(e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —

(i) the administrator or Liquidator or the administrator's or Liquidator's personal representative to the company, or

(ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;

(f) any other order that it thinks just.

(5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.

(6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration or as winding up or bankruptcy.