

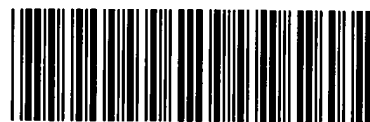
AM10

Notice of administrator's progress report



Companies House

SATURDAY



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A04

15/08/2020

#155

COMPANIES HOUSE

1 Company details

Company number 0 2 5 9 7 1 2 2

Company name in full Proportion London Limited

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

2 Administrator's name

Full forename(s) Alex

Surname Cadwallader

3 Administrator's address

Building name/number Leonard Curtis

Street 5th Floor

Grove House

Post town 248a Marylebone Road

County/Region London

Postcode N W 1 6 B B

Country

4 Administrator's name ①

Full forename(s) Andrew

Surname Duncan

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

5 Administrator's address ②

Building name/number Leonard Curtis

Street 5th Floor

Grove House

Post town 248a Marylebone Road

County/Region London

Postcode N W 1 6 B B

Country

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

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d 1 8	m 0 1	y 2 0 2 0
To date	d 1 7	m 0 7	y 2 0 2 0


7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X 

X

Signature date	d 1 4	m 0 8	y 2 0 2 0
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AM10

Notice of administrator's progress report



Presenter information

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

Contact name **Luke Mahoney**

Company name **Leonard Curtis**

Address **5th Floor**

Grove House

248a Marylebone Road

Post town **London**

County/Region

Postcode **N W 1 6 B B**

Country

DX

Telephone **020 7535 7000**



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



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

PROPORTION LONDON LIMITED
(IN ADMINISTRATION)

Registered Number: 02597122

Court Ref: CR-2019-BHM-000557

High Court of Justice Business and Property Courts in Birmingham - Company & Insolvency List (CHD)

**Joint Administrators' Second Progress Report in Accordance
with Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

Report period
18 January 2020 to 17 July 2020

14 August 2020

Alex Cadwallader and Andrew Duncan - Joint Administrators
Leonard Curtis
5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB
Tel: 020 7535 7000 Fax: 020 7723 6059
General email: creditors@leonardcurtis.co.uk
Ref: L/30/LM/PRO33/1010

PROPORTION LONDON LIMITED – IN ADMINISTRATION

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- 3 Joint Administrators' Proposals
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PROPORTION LONDON LIMITED – IN ADMINISTRATION

**TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS
ALL MEMBERS**

1 INTRODUCTION

- 1.1 This report has been produced in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 ("the Rules") to provide creditors with an update on the progress of the Administration of Proportion London Limited ("the Company") for the period from 18 January 2020 to 17 July 2020. This is the Joint Administrators' second progress report to creditors and should be read in conjunction with the previous progress report dated 12 February 2020.
- 1.2 Much of the information contained in this report encompasses the whole period of the Administration. Please be aware, however, that where reference is made to "the period of this report", this specifically means 18 January 2020 to 17 July 2020, being the period since the end of the period covered by the last progress report.

2 STATUTORY INFORMATION

- 2.1 Alex Cadwallader and Andrew Duncan were appointed as Joint Administrators of the Company in the jurisdiction of High Court of Justice Business and Property Courts in Birmingham - Company & Insolvency List (CHD), number CR-2019-BHM-000557 on 18 July 2019. The Administration appointment was made by the directors of the Company. The Joint Administrators can confirm that there has been no change in office-holder since the date of Administration.
- 2.2 The Administration is being handled by the London office of Leonard Curtis, which is situated at 5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB.
- 2.3 The principal trading address of the Company was 16 Hickman Avenue, London E4 9JG. The business traded under its registered name.
- 2.4 The registered office address of the Company at the date of the appointment of the Joint Administrators was 16 Hickman Avenue, London E4 9JG. Following the appointment, this was changed to c/o Leonard Curtis, 5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB. The registered number of the Company is 02597122.
- 2.5 For the purposes of Paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended), it should be noted that during the period in which the Administration is in force, any act or function required or authorised under any enactment to be done by the Joint Administrators may be exercised by all or any of the persons holding that office.
- 2.6 The Company's centre of main interest is based in the UK. The EU Regulation on Insolvency Proceedings ("the Regulation") applies and the proceedings are main proceedings under the Regulation.

3 JOINT ADMINISTRATORS' PROPOSALS

- 3.1 Attached at Appendix A is a summary of the Joint Administrators' approved proposals for achieving one of the three statutory purposes of Administration ("the Proposals").
- 3.2 The Proposals were approved by deemed approved by creditors on 20 August 2019.
- 3.3 There have been no major amendments to, or deviations from, the Proposals during the course of the Administration to date.

PROPORTION LONDON LIMITED – IN ADMINISTRATION

- 3.4 The objective of the Administration is to realise property in order to make a distribution to one or more secured or preferential creditors.
- 3.5 The objective of the Administration has been achieved as Leumi ABL Limited ("Leumi") has been discharged in full under their principle security, being the assignment debtor ledger, and the Joint Administrators have paid a fixed charge distribution and interim floating charge distribution to the Company's second ranking secured creditor, Mr Jim Turley. It is anticipated that a further floating charge distribution will be made to Mr Jim Turley.

4 PROGRESS OF THE ADMINISTRATION

- 4.1 Attached at Appendix B is the Joint Administrators' receipts and payments account for the period from 18 January 2020 to 17 July 2020, together with a summary of the entire period of the Administration.

Sale of Business

- 4.2 As previously reported to creditors, the business and assets of the Company were sold on 18 July 2019 to PL Visual Limited ('the Purchaser'), a company with common directors to Proportion London Limited.
- 4.3 The agreed sale consideration was £650,000, of which £125,000 was payable on completion followed by a deferred consideration payment of £525,000 three months after completion. The sale consideration was secured by way of a debenture granted by the Purchaser.
- 4.4 Payments have been received as specified in the sale agreement and there is no outstanding consideration due under the sale.
- 4.5 For further information concerning the sale please refer to the Joint Administrators' initial letter to creditors dated 24 July 2019, which provided information concerning the sale in accordance with Statement of Insolvency Practice 16.

Book debts

- 4.6 The Company's debtor's ledger was subject to an invoice financing agreement with Leumi. As previously advised, Leumi were discharged in full and a surplus of £32,001 was paid to the Administration estate. The debtor's ledger was subsequently re-assigned to the Company and additional debtor receipts of £3,165 were received during the period covered by this report. The remaining debts have been written off as irrecoverable.
- 4.7 Asset realisations in respect of the debtor's ledger have therefore been concluded and no further recoveries are anticipated.

Cash at Bank

- 4.8 At the date of appointment the Company's bank account was in credit to the sum of £11,443. These funds have been received into the Joint Administrators' bank account.

Rates Refund

- 4.9 A rates refund of £3,199 has been received from Waltham Forest Council during the period covered by this report.

Deposit Interest Gross

- 4.10 Deposit interest of £76.22 has accrued on the Administration bank account since 18 July 2019, £21.32 of which has accrued during the period of this report.

PROPORTION LONDON LIMITED – IN ADMINISTRATION

5 ASSETS STILL TO BE REALISED

There are no assets than remain to be realised and, therefore, asset realisations in the Administration have now concluded.

6 INVESTIGATIONS

- 6.1 Following their appointment, the Joint Administrators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.
- 6.2 That assessment did not identify any possible further realisations. In addition, the Joint Administrators concluded that no further investigations were required. If, however, any creditor is aware of any particular matters which they consider require investigation, they should please send full details to this office at the address given at the front of this report.
- 6.3 Regardless of the above, the Joint Administrators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

7 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

Pre-Administration Costs

- 7.1 On 12 October 2019, the appointed Creditors' Committee approved a resolution that the following pre-Administration costs and expenses should be paid as an expense of the Administration:

Charged by	Services provided	Total amount charged £	Amount paid £	Who payments made by	Amount unpaid £
Leonard Curtis	Marketing of the Company's business and negotiation of the sale to PLV, dealing with appointment formalities and process.	27,893.50	Nil	Not applicable	27,893.50
Axia Valuation Services	Valuation of the Company's assets, assistance with marketing and sale of business and assets.	18,000.00	Nil	Not applicable	18,000.00
PDT Solicitors	Dealing with sale contract and other agreements and review of the Company's secured creditor position.	12,000.00	Nil	Not applicable	12,000.00
Shakespeare Martineau	Preparation and filing of the Joint Administrators' appointment documentation	3,018.50	Nil	Not applicable	3,018.50

These costs have now been paid and are detailed in the receipts and payments account attached at Appendix B.

Joint Administrators' Remuneration

- 7.2 On 12 October 2019, the Creditors' Committee agreed that the basis of the Joint Administrators' remuneration be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration for an amount not exceeding £42,393, as set out in a Fees Estimate.
- 7.3 The time charged by the Joint Administrators for the period of this report amounts to £21,143.50. This represents 56.6 hours at an average rate of £373.56 per hour. A summary of time costs incurred in the period is set out at Appendix C, together with a detailed description of work undertaken in the period, attributable to each category of time costs, and an explanation of why it was necessary for that work to be performed. The total time costs incurred in the Administration to date equate to £57,976.00.
- 7.4 Attached, at Appendix D, is a summary of time costs incurred to date compared with time costs as set out in the Joint Administrators' original Fees Estimate.
- 7.5 You will note that time costs incurred to date exceed the time as set out in the Fees Estimate. As demonstrated at Appendix D, costs attributable to each category of time generally fall within those anticipated. The areas where significant variance has occurred relate to landlords and creditor committee meetings as follows:

Landlords

The Joint Administrators granted a six month licence to occupy to the Purchaser on 18 July 2019. It was anticipated that a new lease would have been negotiated during this period between the Purchaser and the landlord. A further licence to occupy was subsequently granted to allow the Purchaser additional time to negotiate ongoing terms of occupation with the landlord. Following the Government lockdown imposed as a consequence of the Covid-19 Pandemic in March 2020, the Purchaser subsequently entered into liquidation in June 2020, at which time the licence to occupy was terminated and negotiations were entered into between the Joint Administrators, the landlord and a sub tenant identified in June 2020 regarding the surrender of the lease. The lease was ultimately surrendered with effect from 31 July 2020, limiting the additional time costs that will be incurred in respect of the Company's leasehold premises in the period following that covered by this report.

Creditor Committee Meetings

It was not originally anticipated that a Creditor Committee would be established and as such, no provision was originally made in the original Fees Estimate for any time incurred under this heading.

- 7.6 The Administration is not yet complete and it is therefore anticipated that further time costs will be incurred in dealing with this matter. The Joint Administrators will therefore be submitting a revised Fees Estimate for further approval by the Creditors' Committee in due course.
- 7.7 Further guidance may be found in "A Creditors' Guide to Administrators' Fees" (Version 4 – April 2017) which may be downloaded from:
- <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>
- 7.8 If you would prefer this to be sent to you in hard copy please contact Luke Mahoney of this office on 020 7535 7000.
- 7.9 The remuneration drawn by the Joint Administrators to date totals £42,392 plus VAT, of which £12,920 plus VAT was drawn during the period covered by this report.

8 JOINT ADMINISTRATORS' EXPENSES

- 8.1 Creditors will recall that the Joint Administrators have previously circulated a 'Statement of Likely Expenses' in this matter.

Expenses are separated into the following categories:

- (i) **Standard Expenses:** this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.
- (ii) **Case Specific Expenses:** this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in a particular case. Also included within this category are costs that are directly referable to the Administration but are not paid to an independent third party (and which may include an element of allocated costs).

These are known as "Category 2 disbursements" and are subject to the approval of the creditors. 12 October 2019, the Creditors Committee also approved that category 2 disbursements could be drawn by the Joint Administrators, as detailed at Appendix F.

- 8.2 A copy of the Joint Administrators' statement of likely expenses, together with comparative details of expenses incurred during the current reporting period and confirmation as to whether those amounts are paid or unpaid is set out at Appendix E.
- 8.3 You will note that, in general, the nature and value of expenses incurred to date fall within those anticipated within the original statement of expenses, with the exception of the debt collection fee paid to PL Visual Limited which were detailed in the Joint Administrators' last progress report.
- 8.4 Attached at Appendix F is additional information in relation to the firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade. Please be aware that the firm's charge out rates have been amended with effect from 1 August 2019.
- 8.5 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or with the permission of the Court, may make a written request to the Joint Administrators for further information about remuneration or expenses set out in this report.
- 8.6 Under Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the Court, may apply to the Court, on the grounds that the basis fixed for the Joint Administrators' remuneration is inappropriate, or the remuneration or expenses charged by the Joint Administrators are, in all the circumstances, excessive.
- 8.7 The application must be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question.
- 8.8 Unless the Court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the Administration.

9 ESTIMATED OUTCOME FOR CREDITORS

- 9.1 In order to assist the various classes of creditors in assessing the quantum of any dividend which may or may not be payable to them, we have produced an Estimated Outcome Statement. This is attached at Appendix G.

Secured Creditors

9.2 As previously reported the Company has a total of four secured creditors, details of which are provided below in the order of priority:

1. Leumi
2. Jim Turley
3. Gordons Partnership LLP (as security trustee for Peter Ferstendik, Linda Ferstendik, Ida Dyan, Godfrey Dyan, Tanya Cowan, Robert Dyan and martin Dyan).
4. Antonia D'Marco (as security trustee for Antonia D'Marco, Tanya Reynolds and Keith Fox).

Leumi have been repaid in full under their principle security. Jim Turley has received fixed and floating charge distributions totalling £525,000 to date. Whilst there may be sufficient funds in the estate to enable a final floating charge distribution to Jim Turley, it is not anticipated that any such distribution will be of substantial value and we do not anticipate there being sufficient realisations to enable a distribution to the third or fourth ranking secured creditors.

Preferential Claims

9.3 No preferential claims were anticipated in the Administration, following the transfer of the Company's employees to the Purchaser in accordance with the provisions of the Transfer of Undertakings (Protection of Employment) Regulations 2006.

Prescribed Part

9.4 The Prescribed Part provisions of Section 176A of the Act, concerning the setting aside of a prescribed part of floating charge monies for the benefit of unsecured creditors, apply in respect of the Company. It is anticipated that a Prescribed Part distribution will be payable to unsecured creditors in the Administration, the quantum of which will be confirmed once the costs of the Administration have been finalised.

Unsecured Non-Preferential Claims

9.5 It is anticipated that unsecured creditors will received a distribution from the Prescribed Part as detailed above, but that otherwise there will be insufficient realisations to pay a dividend to unsecured creditors.

9.6 From April 2017, the Joint Administrators have had the discretion to admit claims from creditors with claims under £1,000 without receiving a proof of debt. The Joint Administrators confirm that, to date, no claims have been admitted under the small claims provisions.

9.7 If you have not already done so, please submit details of your claim to my office. A proof of debt form is attached at Appendix H for your ease of use.

10 MATTERS STILL TO BE DEALT WITH

Matters still to be dealt with before conclusion of the Administration include the following:

- The formal agreement of creditor claims.
- The distribution of the prescribed part fund to unsecured creditors.
- A final floating charge distribution to the second ranking secured creditor, Mr Jim Turley.
- The unpaid remuneration and expenses of the Administration will also need to be defrayed.

PROPORTION LONDON LIMITED – IN ADMINISTRATION

11 EXTENSIONS TO THE ADMINISTRATION

- 11.1 The appointment of Joint Administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.
- 11.2 In certain circumstances it becomes necessary to extend the Administrators' term of office.
- 11.3 As you will be aware, the period of the Administration was extended until 17 July 2021 by order of the Court on 9 July 2020.
- 11.4 We do not anticipate that a further extension will be necessary.
- 11.5 The Joint Administrators will be discharged from liability immediately upon their appointment as Joint Administrators ceasing to have effect.

12 NEXT REPORT

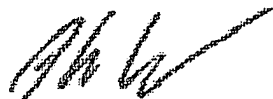
The Joint Administrators are required to provide a progress report which must be delivered within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.

13 DATA PROTECTION

Finally, when submitting details of your claim in the Administration, you may disclose personal data to the Joint Administrators. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. The Joint Administrators act as Data Controllers in respect of personal data they obtain in relation to this Administration and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Administrators' privacy notice, which is attached to this report at Appendix I, explains how they process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

If you wish to discuss the issues raised in this report or require any additional information, please contact this office.

Yours faithfully
for and on behalf of
PROPORTION LONDON LIMITED



ALEX CADWALLADER
Joint Administrator

Alex Cadwallader and Andrew Duncan are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 9501 and 9319, respectively.

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

SUMMARY OF JOINT ADMINISTRATORS' APPROVED PROPOSALS

1. The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration.
2. If appropriate, the Joint Administrators take any action they consider necessary with a view to the approval of a Company Voluntary Arrangement ("CVA") or Scheme of Arrangement in relation to the Company.
3. If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation. It is further proposed that Alex Cadwallader and Andrew Duncan be appointed Joint Liquidators of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
4. Alternatively, if appropriate, the Joint Administrators apply to Court under Paragraph 65 (3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured creditors within the Administration.
5. In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved.
6. The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
7. The Company may be placed into Compulsory Liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that Alex Cadwallader and Andrew Duncan be appointed Joint Liquidators of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them.
8. The Joint Administrators shall do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986, as they consider desirable or expedient to achieve the statutory purpose of the Administration.

Summary of Joint Administrators' Receipts and Payments from 18 January 2020 to 17 July 2020

		Last period		This period		
	Statement of Affairs	Fixed Account	Floating Account	Fixed Account	Floating Account	Total
	£	£	£	£	£	£
Receipts						
Intellectual Property	300,000	300,000.00	-	-	-	300,000.00
Goodwill	200,000	200,000.00	-	-	-	200,000.00
Office Furniture and Equipment	25,000	-	25,000.00	-	-	25,000.00
Stock	125,000	-	125,000.00	-	-	125,000.00
Cash in Hand	11,443	-	11,442.85	-	-	11,442.85
Surplus from Book Debts	39,759	-	32,001.36	-	3,165.40	35,166.76
	<u>701,202</u>	<u>500,000.00</u>	<u>193,444.21</u>	<u>-</u>	<u>3,165.40</u>	<u>696,609.61</u>
Business Rates Refund		-	-	-	3,198.60	3,198.60
Deposit Interest Gross		-	54.90	-	21.32	76.22
		<u>500,000.00</u>	<u>193,499.11</u>	<u>-</u>	<u>6,385.32</u>	<u>699,884.43</u>
Payments						
Pre-Administration Costs		-	59,071.00	-	-	59,071.00
Solicitors' Fees and Expenses		-	7,515.00	-	-	7,515.00
Debt Collection Fees		-	17,419.50	-	-	17,419.50
Other Professional Fees		-	690.00	-	-	690.00
Statutory Advertising		-	85.95	-	-	85.95
Bordereau Fee		-	90.00	-	-	90.00
IT Licence Fee		-	87.00	-	-	87.00
Postal Charges		-	74.90	-	-	74.90
Printing Charges		-	61.20	-	-	61.20
Sundry Disbursements		-	42.00	-	-	42.00
Joint Administrators' Remuneration		-	29,473.00	-	12,920.00	42,393.00
		<u>-</u>	<u>114,609.55</u>	<u>-</u>	<u>12,920.00</u>	<u>127,529.55</u>
Distributions						
Jim Turley - Fixed Charge Distribution		500,000.00	-	-	-	500,000.00
Jim Turley - Floating Charge Distribution		-	25,000.00	-	-	25,000.00
		<u>-</u>	<u>53,889.56</u>	<u>-</u>	<u>(6,534.68)</u>	<u>47,354.88</u>

PROPORTION LONDON LIMITED – IN ADMINISTRATION

SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD
FROM 18 JANUARY 2020 TO 17 JULY 2020

APPENDIX C

Summary of Joint Administrators' Time Costs from 18 January 2020 to 17 July 2020

	Director		Senior Manager		Manager 1		Administrator 2		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory and Review	-	-	-	-	19	750.50	2	50.00	6	99.00	27	899.50	333.15
Receipts and Payments	-	-	8	356.00	9	355.50	22	550.00	1	16.50	40	1,278.00	319.50
Insurance, Bonding and Pensions	-	-	1	44.50	2	79.00	-	-	-	-	3	123.50	411.67
Assets	-	-	-	-	1	39.50	9	225.00	-	-	10	264.50	264.50
Liabilities	15	787.50	2	89.00	3	118.50	2	50.00	-	-	22	1,045.00	475.00
Landlords	105	5,512.50	-	-	152	6,004.00	102	2,550.00	-	-	359	14,066.50	391.82
General Administration	-	-	3	133.50	7	276.50	12	300.00	-	-	22	710.00	322.73
Post Appointment Creditor Reporting	-	-	-	-	47	1,856.50	36	900.00	-	-	83	2,756.50	332.11
Total	120	6,300.00	14	623.00	240	9,480.00	185	4,625.00	7	115.50	566	21,143.50	
Average Hourly Rate (£)		<u>525.00</u>		<u>445.00</u>		<u>395.00</u>		<u>250.00</u>		<u>165.00</u>		<u>373.56</u>	

All Units are 6 minutes

DESCRIPTION OF TIME SPENT BY CATEGORY

This category of activity encompasses work undertaken for both statutory and case management purposes. Whilst this work has not directly resulted in any monetary value for creditors, it has ensured that the case was managed efficiently and resourced appropriately, which has been of benefit to all creditors. The work carried out under this category has comprised of the following:

- Case management reviews.
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9.
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice.

Receipts and Payments

This category of work has not resulted in a direct financial benefit for creditors. However, close monitoring of case bank accounts was essential to ensure that bank interest was maximised where possible, estate expenses were properly managed and kept to a minimum and amounts payable to creditors were identified and distributed promptly.

- Regular review of case bank account by senior member of staff to ensure that fixed and floating charge assets have been properly identified and prescribed part funds have been set aside where appropriate.
- Timely completion of all post appointment tax and VAT returns.
- Managing estate expenses.

Insurance, Bonding and Pensions

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect company assets (see insurance and bonding matters below), whilst requirements in respect of company pension schemes are there to protect the pension funds of Company employees. Whilst there was no direct financial benefit to Company creditors in dealing with these, close control of case expenditure was crucial to delivering maximum returns to the appropriate class of creditor.

- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice.

Assets

- Dealing with additional debtor receipts following reassignment of the Company's debtors ledger.
- Liaising with Waltham Forest Council regarding a business rates refund.

Liabilities

This category of time includes both statutory and non-statutory matters.

Statutory

- Processing of claims from the Company's creditors - There are approximately 68 creditors in the Administration. It is anticipated that there will be sufficient funds available to pay a dividend to unsecured creditors by virtue of the prescribed part and as such, creditor claims have been logged and will be subsequently agreed by the Joint Administrators.

PROPORTION LONDON LIMITED – IN ADMINISTRATION

Non-statutory

Dealing with enquiries from the Company's creditors - the Company has a significant creditor base consisting of mainly trade suppliers. Time has been incurred in liaising with creditors. Whilst this time has not result in any direct commercial benefit to creditors, it was essential for keeping creditors informed of the progress of the Administration and ensuring that claims were submitted correctly

Landlords

- Review of the sub-tenant lease at 16 Hickman Avenue, London E4 9JG.
- Dealing with the licence to occupy and payments to the landlord under the agreement.
- Liaising with the landlord with regards to the licence to occupy.
- Liaising with the Purchaser regarding licence fee payments.
- Liaising with the Purchaser regarding a new licence to occupy.
- Termination of the licence to occupy.
- Liaising with the landlord regarding surrender of the lease.
- Liaising with PDT solicitors regarding surrender of the lease.
- Review of deed of surrender.

General Administration

- General planning matters.
- Maintaining the Joint Administrators' records.
- Dealing with general correspondence and communicating with the directors.

Post Appointment Creditor Reporting

- Preparation of Joint Administrators' First Progress Report.
- Dealing with the extension of the Administration period.

SUMMARY OF JOINT ADMINISTRATORS' TOTAL TIME COSTS TO DATE
INCORPORATING A COMPARISON WITH THE JOINT ADMINISTRATORS' APPROVED FEE ESTIMATE

	FEES ESTIMATE			INCURRED TO DATE			VARIANCE
	Total			Total			Cost £
	Units No	Cost £	Average hourly rate £	Units No	Cost £	Average hourly rate £	
Statutory and Review	154	5,918.00	384.29	115	3,885.00	337.83	2,033.00
Receipts and Payments	55	1,699.50	309.00	121	3,715.50	307.07	(2,016.00)
Insurance, Bonding and Pensions	23	618.50	268.91	20	535.50	266.25	83.00
Assets	94	3,550.00	377.66	106	3,896.50	367.59	(346.50)
Liabilities	163	4,827.50	296.17	167	6,065.00	363.17	(1,237.50)
Landlords	59	1,815.50	307.71	497	18,153.50	365.26	(16,338.00)
Debenture Holder	61	2,650.00	429.51	58	1,902.00	327.93	748.00
General Administration	107	3,356.00	313.64	77	2,199.50	285.65	1,156.50
Appointment	82	2,531.00	308.66	79	1,764.50	223.35	766.50
Post Appointment Creditor Reporting	330	11,139.50	337.56	282	6,887.50	244.24	4,252.00
Creditor Committee Meetings	-	-	-	121	5,414.50	447.48	(5,414.50)
Investigations	124	4,287.50	348.19	101	2,032.00	201.19	2,255.50
Legal Services	-	-	-	44	1,528.00	347.27	(1,528.00)
	1,252	42,393.00	338.60	1,788	57,976.00	324.25	(15,583.00)

**SUMMARY OF JOINT ADMINISTRATORS' EXPENSES
FROM 18 JANUARY 2020 TO 17 JULY 2020
INCORPORATING A COMPARISON OF THE JOINT ADMINISTRATORS'
STATEMENT OF LIKELY EXPENSES**

Standard Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
AML Checks	Business Tax Centre	Electronic client verification	20.00	-	-	-	-
Bond Fee	AUA Insolvency Risk Services	Insurance bond	90.00	260.00	170.00	90.00	170.00
Company Searches	Companies House	Extraction of company information from Companies House	4.00	-	-	-	-
Document Hosting	Pelstar Computing	Hosting of documents for creditors	56.00	70.00	28.00	42.00	28.00
Software Licence Fee	Pelstar Computing	Case management system licence fee	87.00	87.00	-	87.00	-
Statutory Advertising	Courts Advertising	Advertising	171.90	85.95	-	85.95	-
Storage Costs	Total Data Management	Storage of books and records	500.00	983.45	983.45	-	983.45
Post redirection	-	Redirection of post	-	-	-	-	-
Postage	Royal Mail	Postage costs	150.00	74.90	-	74.90	-
		Total standard expenses	1,078.90	1,561.30	1,181.45	379.85	1,181.45

Case Specific Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Agents' Fees	-	Costs of valuing and realising assets	-	-	-	-	-
Debt Collection Fees	PL Visual Limited	Costs of collection of debts	-	17,419.50	-	17,419.50	-
Professional Fees	Berg Kaprow Lewis LLP	Tax advice	-	690.00	-	690.00	-
Legal Fees	PDT Solicitors	Costs of appointed solicitors	8,000.00	7,515.00	-	7,515.00	-
Printing and Photocopying	Leonard Curtis	Category 2 disbursement requiring specific creditor / committee approval	150.00	61.20	-	61.20	-
		Total case specific expenses	8,150.00	25,685.70	-	25,685.70	-

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

The following Leonard Curtis policy information is considered to be relevant to creditors:

Staff Allocation and Charge Out Rates

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

1 Aug 2019 onwards	Standard £	Complex £
Director	525	656
Senior Manager	445	556
Manager 1	395	494
Manager 2	345	431
Administrator 1	280	350
Administrator 2	250	313
Administrator 3	230	288
Administrator 4	165	206
Support	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, who may be used for non-contentious matters pertaining to the insolvency appointment.

Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

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Type	Description	Amount																								
AML checks	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per search																								
Bond / Bordereau fee	Insurance bond to protect the insolvent entity against and losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting	Hosting of documents for creditors/shareholders. Cost per upload, plus VAT.	<table><tr><th>Type</th><th>First 100</th><th>Every addtl 10</th></tr><tr><td>ADM</td><td>£14.00</td><td>£1.40</td></tr><tr><td>CVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>MVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CPL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CVA</td><td>£10.00</td><td>£1.00</td></tr><tr><td>BKY</td><td>£10.00</td><td>£1.00</td></tr><tr><td>IVA</td><td colspan="2">£10 p.a. or £25 for life of case</td></tr></table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
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BKY	£10.00	£1.00																								
IVA	£10 p.a. or £25 for life of case																									
Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £204.00 3-6 months £303.00 6-12 months £490.00																								
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case																								
Statutory advertising	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£91.80 - £102.00 plus VAT per advert Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges																								

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions.	Time costs plus disbursements plus VAT
Other disbursements	See disbursements section below	See disbursements section below

Disbursements

Included within both of the above categories of expenses are disbursements, being amounts paid firstly by Leonard Curtis on behalf of the insolvent entity and then recovered from the entity at a later stage. These are described as Category 1 and Category 2 disbursements.

- a) Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£81.25 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

ESTIMATED OUTCOME STATEMENT

Estimated Outcome Statement as at 17 July 2020

	Estimated Financial Position £	Receipts & Payments To Date £	Anticipated Future Receipts & Payment £	Total Anticipated Receipts & Payments £
Assets Specifically Pledged				
Factored book debts	164,750	142,522	-	139,356
Less:				
Leumi ABL Limited	(107,355)	(107,355)	-	(107,355)
Surplus/ (deficit) c/d	57,395	35,167	-	32,001
Assets Subject to Fixed Charge				
Goodwill	200,000	200,000	-	200,000
Intellectual Property	300,000	300,000	-	300,000
Less:				
Pre-appointment costs	N/a	N/a	-	N/a
Jim Turley	(580,000)	(580,000)	-	(580,000)
Surplus / (deficit) c/d	(80,000)	(80,000)	-	(80,000)
Assets Subject to Floating Charge				
Surplus from factored book debts b/d	57,395	35,167	-	35,167
Leasehold Improvements	Nil	-	-	-
Tangible assets	25,000	25,000	-	25,000
Stock	125,000	125,000	-	125,000
Other debtors	Nil	-	-	-
Connected party debts	Uncertain	-	-	-
Cash at bank	1,000	11,443	-	11,443
Business rates refund	N/a	3,199	-	3,199
Deposit interest gross	N/a	76	-	76
Assets available to costs	208,395	199,885	-	199,885
Less:				
Pre-appointment costs		(59,071)	-	(59,071)
Office holders' remuneration		(42,393)	-	(42,393)
Office holders' disbursements		(441)	(1,500)	(1,941)
Other Professional Fees		(690)	-	(690)
Debt Collection Fees		(17,420)	-	(17,420)
Solicitors' fees		(7,515)	(3,000)	(10,515)
Assets available to preferential creditors		72,355	(4,500)	67,855
Preferential claims (wage arrears and accrued holiday)		-	-	-
Estimated surplus to prescribed part		72,355	(4,500)	67,855
Less: prescribed part		-	-	(16,571)
Available to floating charge creditors		72,355	(4,500)	51,284
Shortfall to Jim Turley b/d		-	-	(80,000)
Surplus / (deficit) c/d		72,355	(4,500)	(28,716)
Estimated surplus/(shortfall) available to unsecured creditors		-	-	-
Add: prescribed part		-	-	16,571
Total assets available to unsecured creditors		72,355	-	16,571
Unsecured creditors				(2,184,649)
Estimated deficiency as regards unsecured creditors				(2,168,078)
Shortfall to floating charge holders				(28,716)
1. Shortfall to Jim Turley b/d				(500,000)
2. Gordons Partnership LLP				(248,507)
3. Antonia D'Marco				(2,945,501)
Estimated deficiency as regards creditors				
Outcome Summary				
Estimated returns to secured creditors				100.00%
1. Leumi ABL Limited				95.05%
2. Jim Turley				0.00%
3. Gordons Partnership LLP				0.00%
4. Antonia D'Marco				0.00%
Estimated dividend to unsecured creditors				0.76%

Proof of Debt – General Form

Relevant date: 18 July 2019

Please e-mail completed form to:

recovery@leonardcurtis.co.uk quoting ref: **PRO33/LM/PROOF**

Name of Company in Administration:

Proportion London Limited

Company registered number:

02597122

1. Name of creditor (if a company, provide registration number)

2. Correspondence address of creditor (including email address)

3. Total amount of claim (£) at relevant date (include any Value Added Tax)

4. If amount in 3 above includes outstanding uncapitalised interest, state amount (£)

5. Details of how and when the debt was incurred (if you need more space attach a continuation sheet to this form)

6. Details of any security held, the value of the security and the date it was given

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7. Details of any reservation of title claimed in respect of goods supplied to which the debt relates

8. Details of any document by reference to which the debt relates

9. Signature of creditor (or person authorised to act on the creditor's behalf)

10. Date of signing:

11. Address of person signing (if different from 2 above)

12. Name in BLOCK LETTERS

13. Position with, or relation to, creditor

Notes:

1. There is no need to attach them now but the office-holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.
2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office-holder. If completing on behalf of the company, please state your relationship to the company.
3. Please e-mail completed form to:

recovery@leonardcurtis.co.uk quoting ref: PRO33/LM/PROOF

**LEONARD CURTIS
PRIVACY NOTICE FOR CREDITORS**

Information we collect and hold about you

By requesting details of your claim in this insolvency, we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation ("the GDPR"). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

Legal justification for processing your Personal Data

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

How we use your information

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity's liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

Who we share your information with

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

How long will we hold your Personal Data for?

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

Your rights in respect of your Personal Data

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.

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Your right to complain

You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.

If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliffe House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

Contacting us

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, 5th Floor, Grove House, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: privacy@leonardcurtis.co.uk.

Data Controller: LEONARD CURTIS