

The Insolvency Act 1986**Liquidator's Progress Report
Pursuant to section 192 of
the Insolvency Act 1986****S.192**

To the Registrar of Companies

For official use

--	--	--

Company Number

03270629

Name of Company

Handmade Limited (formerly in Administration)

I/We
Mark Reynolds
3rd Floor
Shakespeare House
7 Shakespeare Road
London
N3 1XE

Kevin Goldfarb
Tavistock House South
Tavistock Square
London
WC1H 9LG

the liquidator(s) of the company attach a copy of my/our Progress Report under
section 192 of the Insolvency Act 1986

The Progress Report covers the period from 24 April 2014 to 23 April 2015

[Signature]
Signed _____ Date *18/6/15* _____

Valentine & Co
3rd Floor
Shakespeare House
7 Shakespeare Road
London
N3 1XE

Ref MSR/AR/H383

For Official Use

Insolvency Sect Post Room

FRIDAY



A07 19/06/2015 #114
COMPANIES HOUSE

**Joint Liquidators' Annual Progress Report
to Creditors and Members**

**Handmade Limited (formerly in Administration)
- In Liquidation**

18 June 2015

CONTENTS

- 1 Introduction and Statutory Information
- 2 Realisation of Assets
- 3 Investigations
- 4 Creditors
- 5 Joint Liquidators' Remuneration
- 6 Joint Liquidators' Expenses
- 7 Creditors' Rights
- 8 Case Progression / Next Report

APPENDICES

- A Receipts and Payments Account for Period from 24 April 2014 to 23 April 2015 and Cumulative Receipts and Payments Account from 24 April 2013 to 23 April 2015
- B Time Analysis for Period from 24 April 2014 to 23 April 2015 and Cumulative Time Analysis from 24 April 2013 to 23 April 2015
- C Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9 (SIP 9)

1 Introduction

- 1.1 Kevin Goldfarb of Griffins Insolvency Practitioners (Griffins), Tavistock House South, Tavistock Square, London, WC1H 9LG, and I, Mark Reynolds, of Valentine & Co, 3rd Floor, Shakespeare House, 7 Shakespeare Road, London, N3 1XE, were initially appointed Joint Administrators of the Company on 11 July 2012. The appointment was made by the Directors of the Company.
- 1.2 The Administration was registered in the High Court of Justice, reference number 5305 of 2012.
- 1.3 Shortly following the commencement of the administration, it was suggested by a representative of certain major creditors that they might be prepared to consider favourably a proposal for a Company Voluntary Arrangement ("CVA").
- 1.4 In this instance, such an arrangement, given the uncertainty as to the Company's future income, its future operating prospects and its asset base could only have had any reasonable prospect of being achieved by way of a debt-for-equity swap.
- 1.5 Proposals for the CVA were issued to all known creditors on 14 February 2013. The meeting of creditors was held on 14 March 2013, at which 96.68% of creditors, in value, present or represented by proxy, rejected the proposals. The Chairman issued his report to creditors shortly after the meeting and confirmed the Joint Administrators' intentions to take steps to move the Company into voluntary liquidation.
- 1.6 As the CVA proposals were not accepted by creditors, the Joint Administrators filed a notice with the Registrar of Companies in order that the Administration cease and the Company move automatically into Creditors' Voluntary Liquidation ("CVL"). The Joint Administrators were discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 following their appointment as Joint Administrators ceasing to have effect on 24 April 2013.
- 1.7 The Joint Administrators were subsequently appointed as the Joint Liquidators of the CVL on 24 April 2013. The Joint Liquidators are authorised to act jointly and severally in the liquidation.
- 1.8 This report provides an update on the progress in the liquidation for the year ended 23 April 2015.
- 1.9 The principal trading address of the Company was The Old School House, Leckhampton Road, Cheltenham, Gloucestershire GL53 0AX.

- 1 10 The registered office of the Company was changed to c/o Valentine & Co, 3rd Floor, Shakespeare House, 7 Shakespeare Road, London, N3 1XE and its registered Company number is 03270629

2 Realisation of Assets

- 2 1 Creditors are reminded that an offer was received from Phoenix Films Holdings Limited ('Phoenix'), to acquire the shares held in subsidiaries of the Company. Phoenix represents the majority of the Company's creditors and is controlled by the same 'bondholder' creditors of the Company.
- 2 2 Investigations revealed that the majority of the subsidiary companies were either dormant, have been struck off and dissolved, or suspended (in the case of some foreign companies).
- 2 3 The asset held by these subsidiaries comprised of a library of films and the various rights and royalties that are assigned to them. The library was significantly held within four primary subsidiaries, namely Flaming Films Inc, Equator Films Limited, SF Productions Limited and Genie International Limited. By way of a reminder, a debenture was granted on 18 November 2009 in favour of BNY Corporate Trustee Services Limited (as Trustee for a number of 'Bondholders' relating to £10,200,000 nominal fixed rate 12% convertible redeemable secured loan stock in Handmade Limited), and to the aforementioned four subsidiaries. A further charge of some £2million, in priority, had been granted to Satya Productions Limited in relation to advances made to the Company.
- 2 4 Following lengthy negotiations, the Joint Liquidators formally accepted an offer of £87,500 for the sale of the shares held in the following subsidiaries,

SHARES	PRICE APPORTIONMENT
The 23,500,000 ordinary shares of 5p held by the Seller in Equator Films Limited, UK company with company number 3225900 (with its subsidiaries SF Productions Limited (UK company number 966834) and Genie International Limited (Bahamas company 40735B))	£22,492
All of the ordinary shares held in by the Seller in Handmade Holdings Limited, Jersey company with company number 89450 (irrespective of whether the company is dissolved or not) and its subsidiaries Flaming Films Inc (Bahamas company 87 892B, HM Films Limited, (British Virgin Island company number 349956), HMF Inc (US company no C 2893061), Eloise Productions Inc (US company registered in Delaware no 3561787 and HMF Music Inc (US company registered in California no 2507783	£50,000

The one ordinary share of £1 held by the Seller (registered in its former name of Handmade plc) in Handmade Films Limited, a UK company with company number 4261078	£1
The 100 ordinary shares held by the Seller (registered in its former name of Handmade plc) in Mona Lisa Films Limited, UK company number 6019653	£1
All the shares (or rights thereto) in Handmade Film Productions Limited, held by the Seller, a UK company no 3577425 (even though dissolved)	£1
The one ordinary share of £1 held by the Seller (registered in its former name of Handmade plc) in Handmade Films Music Limited (UK company number 6736416)	£10,000
The one ordinary share of £1 held by the Seller in Lem Films Limited (UK company 6129689) and its subsidiary Lem 2 Limited (UK company number 7000822)	£5,000
The 100 ordinary shares held by the Seller (registered in its former name of Handmade plc) in Handmade Television Productions Limited (UK company number 6793717)	£1
The 100 ordinary shares held by the Seller (registered in its former name of Handmade plc) in Handmade Entertainment Limited (UK company number 6033228)	£1
The 100 ordinary shares (or the rights thereto) held by the Seller (registered in its former name of Handmade plc) in EPAF Limited (UK company number 6018840) (even though dissolved)	£1
All of the shares held by the Seller in Verona Films Limited (BVI company no 572730)	£1
All of the shares held by the Seller in Animation Collective Holdings Corp (US company) (the balance being held by Larry Schwartz) and its subsidiaries (i) The Larry Schwartz Company Inc, (ii) Animation Collective Inc, (iii) Adams, Barns, Henry, Cantwell and Hudson Inc , (iv) So Media Inc, (v) Animation Partners One Inc, (vi) Animation Partners Two Inc, and (vii) Kanonen & Bestreichen Inc	£1
TOTAL	£87,500

2.5 All funds received within the liquidation have been placed in a specifically designated interest bearing account and the gross interest received during the year to 23 April 2015 amounted to £121.12

2 6 It should be noted that the sum of £91,955.26, being the balance of funds held at the conclusion of the Administration, was transferred to the liquidation account following the appointment of the Joint Liquidators

2 7 At Appendix A, I have provided an account of the Joint Liquidators' Receipts and Payments for the period ended 23 April 2015 with a comparison to the Statement of Affairs values, together with a cumulative account since our appointment, which provides details of the remuneration charged and expenses incurred and paid by the Joint Liquidators

2 8 Further information on the Joint Liquidator's remuneration can be found in section 5 below

3 Investigations

3 1 In accordance with Statement of Insolvency Practice 2 (SIP2), a review of the Company's books and records was conducted in order to identify any unusual or exceptional transactions

3 2 During the investigation, particular attention was paid to identifying any possible antecedent transactions such as preference payments, transactions at an undervalue and transactions defrauding creditors. Additionally, it was considered whether there was evidence of wrongful trading and/or misfeasance, for which an action could be brought against the director(s)

3 3 In accordance with the Company Directors Disqualification Act 1986 and Statement of Insolvency Practice 4 (SIP4), I have submitted a report on the conduct of the Directors of the Company to the Department of Business Innovation & Skills. As this is a confidential report, I am not able to disclose the content

3 4 The Joint Liquidators are aware of allegations against former officers of the Company in respect of funds raised by the Company in November 2009. The allegations centre around claimed representations and material non-disclosure made by the Company to investors, as well as the alleged subsequent misapplication of the funds raised. The Joint Liquidators' investigations have now concluded and there is nothing further to report

4 Creditors

Secured Creditors

4 1 There were no secured creditors

Preferential Creditors

4 2 There were no preferential creditors

Unsecured Creditors

4 3 I received claims totalling £42,932,104 54 from 52 creditors To date, claims totalling £11,485,548 61 from 5 creditors have been rejected

4 4 I am yet to receive claims from 18 creditors, whose claims are believed to total £1,574,553 44 according to the Statement of Affairs

4 5 It is anticipated that sufficient funds may become available to enable a distribution to unsecured creditors If applicable, creditors will be formally requested to submit their claims and/or supporting documentation shortly, if they have not yet already done so A separate letter and notice will be issued in due course, if required

5 Joint Liquidators' Remuneration

5 1 The Creditors approved that the basis of the Joint Liquidator's remuneration to be fixed by reference to the time properly spent by them and their staff in managing the Liquidation

5 2 The time costs for Valentine & Co for the year to 23 April 2015 amount to £5,813 This represents 22 65 hours at an average rate of £256 64 per hour Attached at Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period, in respect of the costs fixed by reference to time properly spent by me, in managing the Liquidation

5 3 The total time costs for Valentine & Co from 24 April 2013 to 13 April 2015 amount to £20,258 This represents 72 75 hours at an average rate of £278 46 per hour Also attached at Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade since the appointment, in respect of the costs fixed by reference to time properly spent by me, in managing the Liquidation

5 4 I confirm that the amount of £17,000 plus VAT has been drawn in respect of Valentine & Co's remuneration during the period of my appointment as Joint Liquidator

5 5 Griffins' time costs for the year to 23 April 2015 are £23,579 18 This represents 78 83 hours at an average rate of £299 10 per hour Also attached at Appendix B is a Time

Analysis which provides details of the activity costs incurred at Griffins by staff grade during this period, in respect of the costs fixed by reference to time properly spent by the Joint Liquidator, in managing the Liquidation

5.6 The total time costs for Griffins from 24 April 2013 to 13 April 2015 amount to £101,550.43. This represents 330.08 hours at an average rate of £307.65 per hour. Also attached at Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade since the appointment, in respect of the costs fixed by reference to time properly spent by Griffins in managing the Liquidation.

5.7 I confirm that the amount of £99,577.51 plus VAT has been drawn by Griffins in respect of Griffins' remuneration during the period of their appointment as Joint Liquidator.

5.8 The time spent on this case since the Joint Liquidators' appointment relates to the following matters:

- Attending to correspondence and telephone calls with creditors
- Recording and acknowledging creditors' claims
- Investigations into the affairs of the Company
- Preparation and submission of statutory report to the Secretary of State
- Obtaining bonding and completing bond reviews to enable the Joint Liquidator to continue to act
- Cashiering and updating insolvency computer system
- Reviews of case
- Statutory compliance which includes submissions to Companies House
- Liaising with debt collection agent / collection of book debts
- Liaising with solicitors/counsel in respect of the sale of the Company's shareholding

5.9 The time spent on this case during the period of this Progress Report relates to the following matters:

- Attending to correspondence and telephone calls with creditors
- Recording and acknowledging creditors' claims
- Investigations into the affairs of the Company

- Preparation and submission of statutory report to the Secretary of State
 - Obtaining bonding and completing bond reviews to enable the Joint Liquidator to continue to act
 - Cashiering and updating insolvency computer system
 - Reviews of case
 - Statutory compliance which includes submissions to Companies House
 - Liaising with debt collection agent / collection of book debts
- 5 10 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from www.valentine-co.com > Technical Resources > Creditors' Guides to Fees
- 5 11 Attached as Appendix C is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade
- 5 12 Since 24 April 2014 the following Category 2 disbursements have been reimbursed
- Stationery & Postage - £698 05

6 Joint Liquidators' Expenses

- 6 1 The following expenses have been incurred since the last progress report to creditors

Supplier / Service Provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount Outstanding £
<i>CYC Logistics & Distribution Limited</i>	<i>Courier fees</i>	24 31	24 31	0 00
<i>Thomas Eggar LLP</i>	<i>Legal fees in respect of sale of shares etc</i>	11,929 50	11,929 50	0 00

7 Creditors' rights

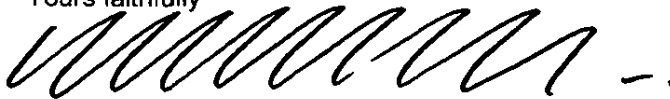
- 7 1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report

- 7 2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the Liquidator's remuneration, the remuneration charged or the expenses incurred by the Liquidator as set out in this progress report are excessive

8 Case Progression / Next Report

- 8 1 The administration of the liquidation is ongoing The Joint Liquidators are currently taking steps to obtain clearance to finalise the liquidation
- 8 2 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors

Yours faithfully



Mark Reynolds

Joint Liquidator

Enc

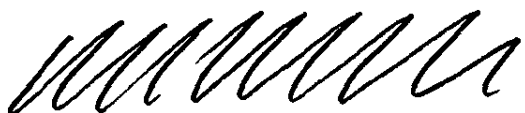
Appendix A

Receipts and Payments Account for Period from 24 April 2014 to 23 April 2015.

and Cumulative Receipts and Payments Account from 24 April 2013 to 23 April 2015

Handmade Limited (formerly in Administration)
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs	From 24/04/2014 To 23/04/2015	From 11/07/2012 To 23/04/2015
ASSET REALISATIONS		
Book Debts	NIL	120 00
Bank Interest Gross	121 12	264.66
Transferred from Administration	NIL	91,955 26
Sale of Shares	NIL	87,500.00
	<u>121 12</u>	<u>179,839 92</u>
COST OF REALISATIONS		
Mark Reynolds Office Holder's Rem	5,000 00	17,000 00
Kevin Goldfarb Office Holder's Rem	49,725 43	99,577 51
Courier Fees	24 31	24 31
Legal Fees (1)	11,929 50	26,930.50
Professional Fees	NIL	1,606 25
Corporation Tax	30 03	100 63
Stationery & Postage	698 05	698 05
International Freight Forwarding	NIL	2,446 50
	<u>(67,407 32)</u>	<u>(148,383 75)</u>
	<u>(67,286.20)</u>	<u>31,456.17</u>
REPRESENTED BY		
Fixed Deposit A/c		24,286 08
Vat Control Account		7,170 09
		<u>31,456.17</u>


Mark Reynolds
Joint Liquidator

Appendix B

Time Analysis for Period from 24 April 2014 to 23 April 2015

and Cumulative Time Analysis from 24 April 2013 to 23 April 2015

Administration & Planning	Includes case planning, statutory returns, maintenance of bank accounts and estate records, matters relating to tax, general correspondence, legal advice, meetings, employee matters, Court application for extension, legal advice regarding Agency issues
Investigations	Includes Statutory duty of investigation into Company's affairs under Statement of Insolvency Practice (SIP2)
Realisation of Assets	Includes dealing with the sale of the business and the assets of the Company, dealing with Solicitors, collecting book debts
Creditors	Includes correspondence with preferential and unsecured creditors, pensions and employees
Trading	Includes time on site, dealing with matters arising relating to ordering and the supply of goods, completion of WIP, supervision of staff

Time Entry - Detailed SIP9 Time & Cost Summary

H383 - Handmade Limited (formerly in Administration)
From 24/04/2014 To 23/04/2015
Project Code POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 General Case Administration	6.45	0.00	0.00	0.50	6.95	2,627.50	383.67
101 Compliance Matters	3.20	0.00	0.00	8.50	11.70	1,632.50	159.62
Administration & Planning	9.65	0.00	0.00	9.00	18.65	4,360.00	233.76
501 Unsecured Creditors	1.00	0.00	0.00	0.00	1.00	387.50	387.50
502 Employee Matters	0.80	0.00	0.00	0.00	0.80	280.00	350.00
Creditors	1.80	0.00	0.00	0.00	1.80	667.50	370.83
202 Investigations	1.40	0.80	0.00	0.00	2.20	765.50	357.05
Investigations	1.40	0.80	0.00	0.00	2.20	765.50	357.05
Total Hours	12.85	0.80	0.00	9.00	22.65	6,813.00	256.64
Total Fees Claimed						17,000.00	

Time Entry - Detailed SIP9 Time & Cost Summary

H383 - Handmade Limited (formerly in Administration)
From 24/04/2013 To 23/04/2015
Project Code POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 General Case Administration	9.60	0.00	0.20	0.70	10.50	3,680.00	350.48
101 Compliance Matters	3.20	0.00	0.00	18.50	21.70	2,332.50	107.49
102 Meetings	5.60	0.00	0.00	0.00	5.60	1,925.00	350.00
104 Case Review	1.75	0.00	0.00	0.00	1.75	812.50	350.00
503 Director/Dabior - General Communication	2.90	0.00	0.00	0.00	2.90	1,015.00	350.00
Administration & Planning	22.95	0.00	0.20	19.20	42.35	9,665.00	226.66
501 Unsecured Creditors	13.10	0.00	0.00	0.00	13.10	4,622.50	352.86
502 Employee Matters	0.80	0.00	0.00	0.00	0.80	280.00	350.00
Creditors	13.90	0.00	0.00	0.00	13.90	4,902.50	352.70
202 Investigations	12.25	0.80	0.00	0.00	13.05	4,583.00	351.19
Investigations	12.25	0.80	0.00	0.00	13.05	4,583.00	351.19
306 Other Assets	3.45	0.00	0.00	0.00	3.45	1,207.50	350.00
Realisation of Assets	3.45	0.00	0.00	0.00	3.45	1,207.50	350.00
Total Hours	62.65	0.80	0.20	19.20	72.75	20,258.00	278.46
Total Fees Claimed						17,000.00	

Time Entry - Detailed SIP9 Time & Cost Summary

HANDM03 - Handmade Limited
From 24/04/2014 To: 23/04/2015
Project Code POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Administrators	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADMIN Administration Work	0.00	1.75	4.83	0.00	10.33	18.92	4,999.61	263.77
DIARY Case Diary	0.00	0.00	0.08	0.00	0.58	0.67	200.00	300.00
EMAIL Emailing	0.00	0.00	0.58	0.00	0.25	0.83	243.76	292.50
CASG Cashiering Functions	0.00	0.00	0.08	0.00	0.00	0.08	25.00	300.00
CDDA Disqualification work	0.00	0.50	13.87	0.00	0.00	14.17	4,275.00	301.78
SIP9 Preparation of Remuneration	0.00	0.25	0.00	0.00	0.25	0.50	87.50	350.00
SPECBOND Specific Bond	0.00	0.08	0.00	0.00	0.17	0.25	77.08	308.32
STAT Statutory	0.00	0.00	0.50	0.00	0.00	0.50	150.00	300.00
TELS Telephone calls	0.08	0.00	0.87	0.00	0.00	0.75	241.25	321.67
REVIEWS Case Reviews	0.00	2.00	0.67	0.00	4.58	7.25	2,031.24	280.17
Administration & Planning	0.08	4.58	21.08	0.00	15.92	41.67	12,300.43	295.21
PROREPORT Progress Report	0.00	0.00	0.92	0.00	0.17	1.08	325.00	300.00
CRED Creditor Related Work	0.00	0.25	3.08	0.00	0.00	3.33	1,037.50	311.25
Creditors	0.00	0.25	4.00	0.00	0.17	4.42	1,352.50	306.49
INVTGOS Internal Meetings	0.00	0.00	0.75	0.00	0.00	0.75	225.00	300.00
INVREVIEW Investigation Case Review	0.00	0.33	2.83	0.00	0.00	3.17	966.87	305.28
INV Investigation	0.17	0.00	0.00	0.00	0.00	0.17	82.50	485.00
SIP2 Investigation into Affairs	0.00	0.42	5.50	0.00	0.00	5.92	1,802.50	304.65
Investigations	0.17	0.75	9.08	0.00	0.00	10.00	3,076.87	307.67
INVLEGAL Legal	0.00	0.25	16.50	0.00	0.00	16.75	5,037.50	300.75
LEGAL Legal Issues	0.00	0.08	0.25	0.00	0.00	0.33	102.08	300.24
Legal & Litigation	0.00	0.33	16.75	0.00	0.00	17.08	5,139.58	300.86
ASS-SALE Sale of the Business	0.00	0.00	1.50	0.00	0.00	1.50	450.00	300.00
ASST Asset Realization	0.00	0.00	2.00	0.00	0.00	2.00	600.00	300.00
ASSTLEGAL Legal	0.00	0.00	2.08	0.00	0.00	2.08	625.00	300.00
BANK Bank Accounts	0.00	0.00	0.08	0.00	0.00	0.08	25.00	300.00
Realisations of Assets	0.00	0.00	5.57	0.00	0.00	5.57	1,700.00	300.00
Total Hours	0.26	6.92	58.58	0.00	16.08	79.83	23,678.18	298.10
Total Fees Claimed							89,677.51	

Time Entry - Detailed SIP9 Time & Cost Summary

HANDM03 - Handmade Limited
From 24/04/2013 To 23/04/2015
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Administrators	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADMIN Administration Work	0.00	2.50	9.83	0.00	11.33	23.67	9,988.28	295.62
CASG Cashiering Functions	0.08	0.00	0.25	0.00	0.58	0.92	267.91	281.36
CASGH Cashiering Functions - SIP11	0.00	0.00	0.17	0.00	0.00	0.17	50.00	300.00
CODA Disqualification work	0.00	0.83	40.00	0.00	0.00	40.83	12,308.25	301.38
DIARY Case Diary	0.00	0.00	0.08	0.00	1.17	1.25	368.25	285.00
EMAIL Emailing	0.00	0.00	2.82	0.00	0.25	3.17	943.75	298.03
INTGS Meetings	0.08	0.00	0.17	0.00	0.00	0.25	91.25	365.00
REVIEWS Case Reviews	0.00	2.00	39.33	0.00	5.58	46.92	13,881.24	285.87
SIP9 Preparation of Remuneration	0.00	0.75	0.00	0.00	0.00	0.75	262.50	350.00
SPECBOND Specific Bond	0.00	0.08	0.00	0.00	0.17	0.25	77.08	308.32
STAT Statutory	0.00	0.00	0.50	0.00	0.00	0.50	150.00	300.00
TELS Telephone calls	1.00	0.00	1.67	0.00	0.00	2.67	985.00	373.12
TRAV Chargeable Travel Time	1.00	0.00	1.00	0.00	0.00	1.00	485.00	485.00
TRAVEL Travel	0.00	0.00	0.83	0.00	0.00	0.83	250.00	300.00
Administration & Planning	2.17	6.17	85.75	0.00	19.08	123.17	37,112.51	301.32
PROREPORT Progress Report	0.00	0.00	0.82	0.00	0.17	1.08	325.00	300.00
CRED Creditor Related Work	0.00	0.25	3.08	0.00	0.00	3.33	1,037.50	311.25
Creditors	0.00	0.25	4.00	0.00	0.17	4.42	1,352.50	308.49
INV Investigation	6.00	0.00	0.00	0.00	0.00	6.00	2,970.00	485.00
INVMTGS Internal Meetings	0.00	0.00	5.68	0.00	0.00	6.58	1,875.00	300.00
INVREVIEW Investigation Case Review	0.00	4.50	6.75	0.00	0.00	11.25	3,600.01	320.00
INVTRAVEL Travel	0.00	0.00	2.42	0.00	0.00	2.42	725.00	300.00
ITFORENSIC IT Forensics	0.00	0.00	0.17	0.00	0.00	0.17	50.00	300.00
SIP2 Investigation into Affairs	0.00	1.50	101.42	0.00	0.08	103.00	30,977.50	300.75
Investigations	6.00	6.00	118.33	0.00	0.08	128.42	39,997.51	311.47
LEGL Legal Issues	0.00	0.08	0.25	0.00	0.00	0.33	102.08	308.24
INVLEGAL Legal	0.00	1.26	57.50	0.00	0.00	58.75	17,887.50	301.06
Legal & Litigation	0.00	1.33	57.75	0.00	0.00	58.08	17,788.58	301.09
ASS-SALE Sale of the Business	0.00	0.00	1.50	0.00	0.00	1.50	450.00	300.00
ASST Asset Realisation	4.00	0.17	7.08	0.00	0.00	11.25	4,163.33	370.07
ASSTLEGAL Legal	0.00	0.00	2.17	0.00	0.00	2.17	660.00	300.00
BANK Bank Accounts	0.00	0.00	0.08	0.00	0.00	0.08	25.00	300.00
Realisations of Assets	4.00	0.17	10.63	0.00	0.00	15.00	5,288.33	352.58
Total Hours	12.17	13.92	284.87	0.00	19.33	330.08	101,860.43	307.65
Total Fees Claimed							99,577.61	

Appendix C

Additional Information In Relation To Joint Liquidator's Fees Pursuant To Statement Of Insolvency Practice 9 (SIP 9)

Policy

Detailed below is Valentine & Co's policy in relation to

- staff allocation and the use of sub-contractors,
- professional advisors, and
- disbursements

Staff Allocation and the use of Sub-contractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a Partner, Senior and Administrator. The exact constitution of the team will depend on the size and complexity of the assignment and on larger, more complex cases, several staff may be allocated to meet the demands of the case.

With regard to support staff, time spent by cashiers in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, will this be charged.

We are not proposing to utilise the services of any sub-contractors in this case.

Professional Advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Thomas Eggar LLP (legal advice)	Hourly rate and disbursements
Field Fisher Waterhouse LLP (legal advice)	Hourly rate and disbursements

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement generally comprise of external supplies or incidental services specifically identifiable to the case, such as postage, advertising, invoiced travel, external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

Disbursement rates are charged as follows - Post liquidation creditors circulars including director's reports, creditor questionnaire and claims forms £2.25 each, Annual meeting circulars £1.75 each, final meeting circulars £1.75 each. Room hire, where applicable £10.00 per hour. Insurance and bonding is recharged to the Company/insolvent estate at 100% of sum billed to the office holder from the provider of the surety or broker. Travel charges, where any staff of office holder of Valentine & Co utilises their own vehicle are charged at 40 pence per mile. Other travel charges are recharged at 100% of the fare/cost incurred by the office holder, his staff or relevant party. Subsistence and any other miscellaneous disbursements, where appropriately incurred, are charged/recharged at 100% of the cost incurred by the office holder, his staff or relevant party. Valentine & Co reserve the right to alter their charge rates without notice from time to time.

We would confirm that no Category 2 disbursements have been charged on this case.

Charge-out Rates

Details of the firm's current charge out rates are as follows (effective from 18 April 2011)		(Per hour) £
Managing Director		425
Other Director / Consultants		325-375
Manager		285
Senior Administrator		200
Administrator		100-150
Junior/Support		50-100

Please note that this firm records its time in minimum units of 6 minutes.

**GRIFFINS POLICY ON CHARGEOUT RATES AND DISBURSEMENTS
SCHEDULE OF STANDARD CHARGEOUT RATES IN RESPECT OF GRIFFINS PARTNERS
AND STAFF AS AT 1 OCTOBER 2014.**

In accordance with Statement of Insolvency Practice 9 "Remuneration of Insolvency Office Holders" the following hourly charge-out rates will be applied when fixing the Officeholders Remuneration

Grade of staff	Hourly Rate
Partners	£450 - £565
Managers	£325 - £450
Investigators	£285 - £380
Administrators	£150 - £310
Support / Cashier Managers	£220 - £275
Support / Cashier Staff	£70 - £180

The above rates are reviewed annually on 1 October

It is not our policy to charge for support staff (secretarial, filing, reception) unless such staff are working on an individual matter for more than 7 hours in which case the rate for an Administrator may be applied

Time is charged in minimum units of 5 minutes for all staff

DISBURSEMENTS

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance¹ requires that such charges should be disclosed to those who are responsible for approving his remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at

DEFINITIONS

Practice guidance¹ classifies expenses into two broad categories

- Category 1 expenses (approval not required) – specific expenditure that is directly related to a particular insolvency case, where the cost of the expense incurred is referable against an independent external suppliers' invoice or published tariff of charges, mileage is charged at the appropriate H M Revenue & Customs rate
- Category 2 expenses 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 an appointment on a proper and reasonable basis

CHARGING POLICY

- Category 1 expenses (approval not required) – all such items are re-charged to the case as they are incurred
- Category 2 expenses (approval required) – resolutions to be sought from creditors if these category of expenses arise

**GRIFFINS POLICY ON CHARGEOUT RATES AND DISBURSEMENTS
SCHEDULE OF STANDARD CHARGEOUT RATES IN RESPECT OF GRIFFINS PARTNERS
AND STAFF AS AT 1 OCTOBER 2011.**

In accordance with Statement of Insolvency Practice 9 "Remuneration of Insolvency Office Holders" the following hourly charge-out rates will be applied when fixing the Officeholders Remuneration

Grade of staff	Hourly Rate
Partners	£495 - £545
Managers	£300 - £395
Senior Investigators	£325 - £380
Administrators/Investigators	£200 - £300
Junior Administrators/Junior Investigators	£145 - £190
Support Staff	£70 - £180

The above rates are reviewed annually on 1 October

It is not our policy to charge for support staff (secretarial, filing, reception) unless such staff are working on an individual matter for more than 7 hours in which case the rate for an Administrator may be applied

Time is charged in minimum units of 5 minutes for all staff

DISBURSEMENTS

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance¹ requires that such charges should be disclosed to those who are responsible for approving his remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at

DEFINITIONS

Practice guidance¹ classifies expenses into two broad categories

- Category 1 expenses (approval not required) – specific expenditure that is directly related to a particular insolvency case, where the cost of the expense incurred is referable against an independent external suppliers' invoice or published tariff of charges,
- Category 2 expenses. Griffins' policy is not to charge for Category 2 disbursements

CHARGING POLICY

- Category 1 expenses (approval not required) – all such items are re-charged to the case as they are incurred