

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 4 2 0 0 9 3 3

Company name in full Partners for Improvement In Camden Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Jeremy

Surname Karr

3 Liquidator's address

Building name/number 1 Kings Avenue

Street

Post town London

County/Region

Postcode N 2 1 3 N A

Country

4 Liquidator's name ①

Full forename(s) Simon John

Surname Killick

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 1 Kings Avenue

Street

Post town London

County/Region

Postcode N 2 1 3 N A


Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

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6	Period of progress report											
From date	^d 1	^d 6	^m 0	^m 5	^y 2	^y 0	^y 2	^y 0				
To date	^d 1	^d 5	^m 0	^m 5	^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 0	^d 9	^m 0	^m 7	^y 2	^y 0	^y 2	^y 1				

LIQ03

Notice of progress report in voluntary winding up



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 Simon John Killick

Company name Begbies Traynor (Central) LLP

Address 33 Cavendish Square

Post town London

County/Region

Postcode W 1 G 0 P W

Country

DX

Telephone 020 7262 1199



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Partners for Improvement In Camden Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 16/05/2020 To 15/05/2021 £	From 16/05/2018 To 15/05/2021 £
	SECURED ASSETS		
NIL	Projected PFI Unitary Charge net	NIL	NIL
Uncertain	Book Debts: Unitary Charge	NIL	NIL
76,852.54	Cash Held: Reserve Accounts	NIL	NIL
		NIL	NIL
	SECURED CREDITORS		
(2,200,855.00)	Bank of Scotland	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
NIL	Accrued Income	NIL	NIL
	Bank Interest Gross	612.98	1,673.55
	Cash at Bank	NIL	630.39
NIL	Prepayments	NIL	NIL
	Tax Refund	NIL	858,325.86
	VAT Bad Debt Rebate	NIL	557,502.54
		612.98	1,418,132.34
	COST OF REALISATIONS		
	Accountancy Fees	NIL	16,500.00
	Bank Charges	NIL	15.00
	Corporation Tax	186.39	201.40
	Insurance of Assets	NIL	14,096.38
	Legal Disbursements	NIL	25,577.40
	Legal Fees (1)	51,094.55	477,841.36
	Liquidators' Expenses	NIL	17.60
	Liquidators' Fees	42,000.00	205,550.00
	Professional Fees	NIL	12,037.60
	Specific Bond	NIL	549.90
	Statutory Advertising	NIL	216.00
		(93,280.94)	(752,602.64)
	UNSECURED CREDITORS		
(17,000.00)	Directors	NIL	NIL
(121,000.00)	HMRC (Corporation Tax)	NIL	NIL
(257,000.00)	HMRC (VAT)	NIL	NIL
(8,748,000.00)	PFI Camden (Holdings) Limited	NIL	NIL
(1,193,378.03)	Trade Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(12,460,381.49)		(92,667.96)	665,529.70
	REPRESENTED BY		
	Bank 1 Current		576,558.58
	Vat Receivable		88,971.12
			665,529.70

Partners for Improvement In Camden Limited

(In Creditors' Voluntary Liquidation)

Progress report

Period: 16 May 2020 to 15 May 2021

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

Contents

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Partners for Improvement In Camden Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 16 May 2018.
"the liquidators", "we", "our" and "us"	Jeremy Karr and Simon Killick of Begbies Traynor (Central) LLP, 1 Kings Avenue, London, N21 3NA
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	PFI Camden/PFIC
Company registered number:	04200933
Company registered office:	1 Kings Avenue, London, N21 3NA
Former trading address:	8 White Oak Square, London Road, Swanley BR8 7AG

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	16 May 2018
Date of liquidators' appointment:	16 May 2018
Changes in liquidator (if any):	Ian Franses was replaced as Joint Liquidator by Simon Killick of Begbies Traynor (Central) LLP, pursuant to a block transfer order of the High Court of Justice made on 22 May 2019.

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 16 May 2020 to 15 May 2021.

For full details of the Company's trading history and the project agreement ("the Project Agreement") entered into with The London Borough of Camden ("LBC") that underpinned all of the Company's operations, together with the background to the Company entering liquidation, please refer to the report that was issued to creditors in accordance with Statement of Insolvency Practice (SIP) 6 on 14 May 2018 via the Begbies Traynor online extranet platform. A further copy of that report will be provided on request.

RECEIPTS

Bank Interest Gross

£612.98 has been received in bank interest in the period.

PAYMENTS

Corporation Tax

£186.39 has been paid in respect of corporation tax due for the second year of the liquidation.

Legal Fees

£51,094.55 has been paid to Fladgate in respect of their fees for work carried out in advising the liquidators in relation to various matters relevant to the liquidation. Further details on Fladgate's fees are provided in section 7 of this report.

Liquidators' Fees

£42,000 has been paid to Begbies in relation to the fees of the liquidators. Further details regarding the Liquidators' remuneration is provided in section 6 below.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment. The details below relate to the work undertaken in the period of the report only. Our previous report contains details of the work undertaken since our appointment.

General case administration and planning

The Liquidators are required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case. There is no direct financial benefit to the creditors but this work is a necessary part of the case administration.

Compliance with the Insolvency Act, Rules and best practice

The Liquidators are required to comply with the provisions of the Act at all times. In the third year of the liquidation this has included compiling this report to creditors together with its enclosures. Periodic compliance reviews are also carried out by the Liquidators in order to ensure that all statutory and procedural obligations are being met. These activities have no direct financial benefit for the creditors but are nonetheless a necessary part of administering the liquidation.

Investigations

The Liquidators are required to carry out an investigation into the affairs of the Company and the way in which it was managed in the period preceding the commencement of the liquidation. We have undertaken an assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect.

No investigations have been carried out during the period of this report but please refer to previous reports for details of investigations that have been carried out. The Liquidators investigations have not uncovered any transactions that could be challenged for the benefit of the creditors but carrying the investigations are a duty of the Liquidators.

Realisation of assets

Please refer to section 4 above for details relating to the assets realised during the period of this report. The only asset realised in the period of this report is the nominal bank interest.

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

Creditors were advised in previous progress reports of the ongoing proceedings between the Company and LBC. A letter of claim was received from the lawyers acting on behalf of LBC 13 March 2019 said to be in accordance with the Pre-Action Protocol for Construction and Engineering Disputes. The claim amount stipulated in the letter dated 13 March 2019 was £162,848,200.

LBC claimed that these sums are due to them from the Company for various breaches under the Project Agreement. In addition, LBC had brought separate claims for significant amounts against the Company's subcontractors pursuant to collateral warranties given by such entities.

The Liquidators, with their solicitors, Fladgate LLP, reviewed the detailed and lengthy claim and formulated a response that was issued to LBC in July 2019 by Fladgate LLP on behalf of the Liquidators. In our response, we confirmed that it was our position that the Company was not only not liable in respect of such claim but, in fact, had a cross claim against LBC in the sum of circa £36m and we provided a detailed breakdown of how such a position had been reached.

LBC issued particulars of their claim in November 2019, following which all parties agreed directions allowing for a delay in the issue of a defence until later in 2020.

Throughout 2019 and 2020, the Liquidators, together with their lawyers, made every attempt to secure third party funding which would have allowed the Company to defend the claim being brought by LBC and to bring the cross claim. Despite various funding parties showing keen and protracted interest, no ultimate offer to fund the action was received. These attempts drew to a conclusion in October 2020 at which point the Liquidators had no option but to conclude that the funding needed to defend the claim and bring the cross claim would not be forthcoming.

Our lawyers wrote to all parties concerned in October 2020 to advise that the Company, acting by the Joint Liquidators, would take no further substantive steps in the proceedings as a consequence of the liquidation estate being insufficient to bear the costs of extensive and costly High Court litigation (without the provision of any third party funding). While the Liquidators have decided to not pursue the litigation at this stage the matters stated in

this report should not be taken as any admission on behalf of the Company in relation to the litigation or any related matter or claim.

In May 2021, we were made aware that Default Judgment had been entered against the Company in the sum of £131,364,618. The litigation is ongoing with various co-defendants involved and so it would not be appropriate to make any further comments on the matter at this point.

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

The Liquidators have also accounted to HMRC for the corporation tax due for the second year of the liquidation.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the directors' statement of affairs.

Secured creditor

The Governor and Company of the Bank of Scotland acting as Security Trustee for senior lenders (hereafter referred to as "the Bank") is owed £2,200,855 according to the directors' statement of affairs. This sum is calculated as being the residual amount due to the Bank after the sweep of funds prior to the liquidation as detailed in earlier progress reports.

We anticipate that there will be a return to the Bank, but the quantum is currently uncertain.

Preferential creditors

There are no known preferential creditors.

Unsecured creditors

Unsecured creditors were estimated at £10,336,378. Significant claims in the statement of affairs included:

- PFI Camden (Holdings) Limited in the sum of £8,748,000
- Rydon Maintenance Limited in the sum of £623,577
- Dentons in the sum of £247,114

As detailed above, we have since received a Default Judgement in respect of the LBC claim in the sum of £131,364,618.

It is likely that there will be a return to unsecured creditors in this liquidation but the quantum and timing are currently uncertain.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ❑ 50% of the first £10,000 of net property;
- ❑ 20% of net property thereafter;
- ❑ Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if:

- ❑ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ❑ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

As at the date of this report, we have estimated, to the best of our knowledge and belief, the Company's net property, as defined in Section 176A(6) of the Act, to be £665,529.70 and the prescribed part of the Company's net property to be £137,905.94. These figures are based upon the receipts and payments account as at 15 May 2021 and are subject to further movement as and when the floating charge realisations (and associated costs of realisation) increase.

On present information we do not intend to make an application to court under Section 176A(5) of the Act for an order not to distribute the prescribed part of net property to the unsecured creditors. However, we reserve our position generally in this regard should circumstances materially change.

6. REMUNERATION & DISBURSEMENTS

Remuneration

Our remuneration has been fixed by a decision of the creditors on 25 June 2018 obtained via a Decision Procedure by way of correspondence by reference to the time properly given by us (as Liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the winding up as set out in the fees estimate dated 5 June 2018 in the sum of £60,250 and we are authorised to draw disbursements for services provided by our firm and/or entities within the Begbies Traynor group, in accordance with our firm's policy, which is attached at Appendix 2 of this report.

Our original fees estimate was increased by £103,300 by the approval of on 28 June 2019 to make a revised total amount of our approved estimate £163,550.

Our revised estimate was increased again by £71,425 by approval of creditors on 3 July 2020 which makes the current approved fees estimate £234,975.

Our time costs for the period from 16 May 2020 to 15 May 2021 amount to £37,840 which represents 97 hours at an average rate of £390.10 per hour.

The following further information in relation to our time costs and disbursements is set out at Appendix 2:

- ❑ Time Costs Analysis for the period 16 May 2020 to 15 May 2021
- ❑ Begbies Traynor (Central) LLP's charging policy

To 15 May 2021, we have drawn the total sum of £205,550 on account of our remuneration, against total time costs of £207,748.50 incurred since the date of our appointment which represents 598.6 hours at an average rate of £347.06.

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the liquidation.

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

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

The Liquidators may seek further approval from creditors for a further revised fees estimate if we exceed the current agreed estimate. As discussed above, the ongoing litigation involving LBC and the co-defendants may have an impact on the liquidation. For example, we anticipate that we will be obliged to keep the liquidation open for the duration of the proceedings which may take a significant amount of time. We have taken the decision not to seek a further increase to our fees estimate until such time as we know that it will, or will likely, be exceeded.

Expenses

To 15 May 2021, we have also drawn expenses in the sum of £17.60 and paid certain expenses direct from the liquidation estate.

Category 2 Expenses

In accordance with the resolution obtained in relation to disbursements, the following Category 2 expenses and expenses which should be treated as Category 2 disbursements have been incurred and will be charged to the case (although note that the payment has not yet been paid):

Disbursements treated as Category 2 disbursements

Other amounts paid or payable to any party in which the office holder or his firm or any ass has an interest	
Type and purpose	Amount £
<u>OPEN COVER INSURANCE:</u> Eddisons Insurance Services Limited ("EIS"), which is a member of the Begbies Traynor group, has provided insurance brokerage services, having arranged open cover insurance in relation to the Company's assets.	224
TOTAL	224

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2017' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3, together with a table of future expenses to be incurred.

Expenses actually incurred compared to those that were anticipated

Creditors will recall that we estimated that the expenses of the liquidation would total £18,538. Unfortunately, the expenses that we have incurred so far have exceeded that estimate and there will be further expenses to pay before the case concludes. The reasons why the estimate has been exceeded have been explained in previous reports but are related here because of the material nature of the costs:

- Significant legal expenses have been incurred in the liquidation. The Liquidators have instructed Fladgate and counsel to consider various matters in the liquidation including, but not limited to:
 - Reviewing the termination provisions within the Project Agreement and what rights the Company had in this respect;
 - Reviewing the Liquidators' ability to disclaim various contracts;
 - Comprehensively assessing the ability of the Liquidators to continue with adjudication proceedings;
 - Reviewing the insurance provisions within the Project Agreement;
 - Reviewing the possibility of joint instructions with LBC to counsel regarding the sweep of funds by the Bank;
 - Instructing counsel to provide opinion on various matters relevant to the liquidation;
 - Reviewing termination notices from LBC and drafting responses;
 - Advising the Liquidators on all matters relevant to the Company's dispute with LBC and various strategies for dealing with the same;
 - Reviewing LBC's letter of claim dated 13 March 2019 and all associated documents;
 - Preparing to draft a response to LBC's letter of claim.
 - Assisting the liquidators in sourcing funding for the defence of the LBC claim and liaising with potential funders
 - Liaising with prospective funders and answering any and all legal question that have arisen from such discussions
 - Assisting the liquidators in sourcing ATE insurance and answering any legal questions that have arisen from those activities
 - Advising the Liquidators on the withdrawal from proceedings and associated matters

The Liquidators were not accurately able to predict the level of legal work that would be incurred at the outset of the liquidation because it was not known exactly how matters would develop with regard to the adjudication process (and whether any parties would fund such a process), or what level of funds would eventually be available to the liquidation estate as the exact values of VAT Bad Debt Relief and terminal loss relief claims were not known.

- Insurance costs (£14,096.38) are significantly more than anticipated (£500) due to the decision to meet the costs of the pre liquidation hiatus period as detailed in the Liquidators' first annual report;
- Professional fees (£12,037.60) are higher than expected (£7,500) due to additional work being required by PWC on the terminal loss relief claim and some further financial analysis being necessary from HCP.
- Accounting fees of BDO were not provided for as we did not know at the outset of the liquidation what would be required when dealing with formulating a defence to the claim brought by LBC.

In short, at the outset of the engagement, the Liquidators did not have any clarity on the details of the claim that LBC were intending to bring against the Company. We were also not able to anticipate with certainty what funds

would be available to us to defend such a claim. Therefore, the initial provisions as to expenses were not easily predicted.

There are likely to be legal matters that arise from the ongoing proceedings with LBC that will affect the Company notwithstanding that we have decided to take no further substantive steps in such proceedings. The liquidation is likely to necessarily remain open until the conclusion of the proceedings and this is why we have included a provision for further legal costs to be incurred in the estate at appendix 3.

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

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

General case administration and planning

The case will be administered while it remains open and all banking, filing and administrative tasks will be carried out accordingly. There is no financial benefit to creditors but it is an essential part of the engagement.

Compliance with the Insolvency Act, Rules and best practice

The Liquidators will ensure that the case is dealt with in such a way that complies with the Act and the Rules. Periodic compliance reviews will be carried out by the liquidators to ensure the same.

Investigations

The Liquidators will conclude their investigations into the affairs of the Company and will seek to challenge any transactions that are worthy of being overturned for the benefit of the creditors of the Company.

If any creditors have any matters that they wish to bring to the attention of the Liquidators, then please do so in writing by sending details to the Liquidators' office.

Realisation of assets

There are no known further assets to realise with reference to the statement of affairs although you will note that the Liquidators will monitor the outcome of the ongoing proceedings involving LBC and take advice as necessary as to whether there are any subsequent rights of action that the Company may pursue.

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

As there will be a distribution to creditors, there will be work carried out in relation to the adjudication of the claims of the secured and unsecured creditors.

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

The Liquidators will be taking advice from their lawyers and counsel with regard to any other matters to consider concerning the liquidation.

How much will this further work cost?

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

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as set out in the revised estimate of anticipated expenses attached at Appendix 4.

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

We have estimated that the cost of administering the case would be in the region of £234,975 and subsequently you have provided approval for us to draw our remuneration up to that level. However, as you are aware, due to the fact that there are limited assets, the remuneration that we can draw is limited to the amount that is realised for the assets, (less any costs incurred in realising those assets). At this stage in the liquidation, I can estimate that total remuneration drawn will be in the region of £234,975, subject to any subsequent revised fees estimate approval from creditors.

9. OTHER RELEVANT INFORMATION

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

Use of personal information

Please note that in the course of discharging our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.

A handwritten signature in black ink, appearing to read 'Simon Killick', written in a cursive style.

Simon Killick
Joint Liquidator
Dated: 9 July 2021

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 16 May 2020 to 15 May 2021

Partners for Improvement In Camden Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

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	Liquidators' Fees	42,000.00	205,550.00
	Professional Fees	NIL	12,037.60
	Specific Bond	NIL	549.90
	Statutory Advertising	NIL	216.00
		(93,280.94)	(752,602.64)
	UNSECURED CREDITORS		
(17,000.00)	Directors	NIL	NIL
(121,000.00)	HMRC (Corporation Tax)	NIL	NIL
(257,000.00)	HMRC (VAT)	NIL	NIL
(8,748,000.00)	PFI Camden (Holdings) Limited	NIL	NIL
(1,193,378.03)	Trade Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(12,460,381.49)		(92,667.96)	665,529.70
	REPRESENTED BY		
	Bank 1 Current		576,558.58
	Vat Receivable		88,971.12
			665,529.70

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 16 May 2020 to 15 May 2021;
- c. Cumulative Time Costs Analysis for the period from 16 May 2018 to 15 May 2020.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This policy applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the creditors' decision being made for the office holder to be remunerated on a time cost basis. Best practice guidance* requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fee estimate creditors can see how we propose to be remunerated.

In addition, this policy applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance* indicates that such charges should be disclosed to those who are responsible for approving the basis of the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of their staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded in 6 minute units at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

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

Best practice guidance classifies expenses into two broad categories:

- ❑ Category 1 expenses (approval not required) - Specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ Category 2 expenses (approval required) - Items of expenditure that are directly related to the case and either:
 - (i) include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party; or
 - (ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

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

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

The following expenses include an element of shared or allocated cost and are charged to the case (subject to approval).

- ☐ Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate of £100 per meeting;
- ☐ Car mileage which is charged at the rate of 45 pence per mile.

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

Services provided by other entities within the Begbies Traynor group

The following expenses which relate to services provided by an entity within the Begbies Traynor group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval):

Instruction of Eddisons Insurance Services Limited ("EIS") to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The forecasted cost of insurance for the 3 month period immediately following appointment is £224 inclusive of Insurance Premium Tax. The costs of insurance cover for subsequent quarter periods will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case. Where relevant, administration fees may be charged. These costs are taken into consideration and included within the forecasted cost of insurance, above.

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

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

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

General Office Overheads.

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 disbursement:

- ☐ Telephone and facsimile
- ☐ Printing and photocopying
- ☐ Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the London West office as at the date of this report are as follows:

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

	Charge-out rate (£ per hour)
Grade of staff	1 December 2018 until further notice

Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Support	140

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

As detailed above, time is recorded in 6 minute units.

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

SIP9 Partners for Improvement In Ca - Creditors Voluntary Liquidation - 01PA592.CVL : Time Costs Analysis From 16/05/2020 To 15/05/2021

Staff Grade		Consultant/Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning		17.1								17.1	7,509.50	445.00
	Administration	2.0	34.7		0.3				7.3		44.3	17,557.00	396.32
	Total for General Case Administration and Planning:	2.0	51.8		0.3				7.3		61.4	25,166.50	409.88
Compliance with the Insolvency Act, Rules and best practice	Appointment												0.00
	Banking and Bonding								0.3	11.0	11.3	1,582.00	140.00
	Case Closure												0.00
	Statutory reporting and statement of affairs	0.5	15.0								15.5	6,922.50	446.61
	Total for Compliance with the Insolvency Act, Rules and best practice:	0.5	15.0						0.3	11.0	26.8	8,504.50	317.33
Investigations	CDDA and investigations	8.1									8.1	4,009.50	495.00
	Total for Investigations:	8.1									8.1	4,009.50	495.00
Realisation of assets	Debt collection												0.00
	Property, business and asset sales												0.00
	Retention of Title/Third party assets												0.00
	Total for Realisation of assets:												0.00
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others												0.00
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:												0.00
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors												0.00
	Meetings												0.00
	Other												0.00
	Tax				0.3					0.4	0.7	159.50	227.86
	Litigation												0.00
	Total for Other matters:				0.3					0.4	0.7	159.50	227.86
	Total hours by staff grade:	10.6	66.8		0.6				7.6	11.4	97.0		
	Total time cost by staff grade £:	5,247.00	29,726.00		207.00				1,064.00	1,596.00		37,840.00	
	Average hourly rate £:	495.00	445.00	0.00	345.00	0.00	0.00	0.00	140.00	140.00			390.10
	Total fees drawn to date £:											205,550.00	

SIP9 Partners for Improvement In Ca - Creditors Voluntary Liquidation - 01PA592.CVL : Time Costs Analysis From 16/05/2018 To 15/05/2021

Staff Grade		Consultant/Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning		23.8			4.5					28.3	11,513.50	406.84
	Administration	30.7	148.1	7.3	0.3	63.6	0.3	0.7	10.4	6.4	267.8	96,151.50	359.04
	Total for General Case Administration and Planning:	30.7	171.9	7.3	0.3	68.1	0.3	0.7	10.4	6.4	296.1	107,665.00	363.61
Compliance with the Insolvency Act, Rules and best practice	Appointment					11.0		1.5	0.8		13.3	2,545.50	191.39
	Banking and Bonding		0.5		0.1				2.5	26.0	29.1	4,181.00	143.68
	Case Closure												0.00
	Statutory reporting and statement of affairs	0.5	27.7						3.4		31.6	12,886.00	407.78
	Total for Compliance with the Insolvency Act, Rules and best practice:	0.5	28.2		0.1	11.0		1.5	6.7	26.0	74.0	19,612.50	265.03
Investigations	CDDA and investigations	8.1	28.0			4.2					40.3	15,530.50	385.37
	Total for Investigations:	8.1	28.0			4.2					40.3	15,530.50	385.37
Realisation of assets	Debt collection												0.00
	Property, business and asset sales		10.1			38.4			0.6		49.1	12,919.00	263.12
	Retention of Title/Third party assets												0.00
	Total for Realisation of assets:		10.1			38.4			0.6		49.1	12,919.00	263.12
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others	5.3	87.5			17.4					110.2	45,458.50	412.51
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	5.3	87.5			17.4					110.2	45,458.50	412.51
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors												0.00
	Meetings		1.6								1.6	552.00	345.00
	Other												0.00
	Tax		1.0		0.3	23.7			0.2	2.1	27.3	6,011.00	220.16
	Litigation												0.00
	Total for Other matters:		2.6		0.3	23.7			0.2	2.1	28.9	6,563.00	227.09
	Total hours by staff grade:	44.6	328.3	7.3	0.7	162.8	0.3	2.2	17.9	34.5	598.6		
	Total time cost by staff grade £:	22,077.00	140,243.50	2,263.00	241.50	35,516.00	67.50	325.00	2,215.00	4,800.00		207,748.50	
	Average hourly rate £:	495.00	427.18	310.00	345.00	218.16	225.00	147.73	123.74	139.13			347.06
	Total fees drawn to date £:											205,550.00	

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Legal fees	Fladgate	51,094.55	51,094.55	-
Storage	Archive Solutions	3.00	0.00	3.00
Postage	Royal Mail	22.50	-	22.50
Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Charging Policy)				
None				

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Legal fees	Fladgate	477,841.36
Legal disbursements	Fladgate	25,577.40
Storage	Archive Solutions	6.12
Bond	AUA Insolvency Risk Solutions	549.90
Postage	Royal Mail	50.50
Travel	TFL	59.70
Travel	Taxis	20.09
Accountancy Fees	BDO	16.500
Professional Fees	HCP Management	3,537.60
Professional Fees	PWC	8,500
Insurance	Aon	14,096.38

ADDITIONAL EXPENSES ANTICIPATED FOR FUTURE WORK

Expenses anticipated to be incurred prior to closure of the case	Name of party with whom expense anticipated to be incurred	Amount estimated to cost £
Agent's fees	Eddisons	224
Legal fees	Fladgate	25,000 - £50,000
Storage if not a Category 2 disbursement	Restore	25
Postage	Postworks	50