

# AM22

## Notice of move from administration to creditors' voluntary liquidation



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 5 4 9 4 9 4 6

Company name in full Cradgrove Limited formerly Ingenious Film Partners 2 Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Court details

Court name High Court of Justice

Court case number 0 1 0 2 7 5 2 0 1 8

### 3 Administrator's name

Full forename(s) Lloyd

Surname Hinton

### 4 Administrator's address

Building name/number Allan House

Street 10 John Princes Street

Post town London

County/Region

Postcode W 1 G 0 A H

Country

# AM22

Notice of move from administration to creditors' voluntary liquidation

<b>5</b>	<b>Administrator's name ①</b>	
Full forename(s)		
Surname		
		<b>① Other administrator</b> Use this section to tell us about another administrator.
<b>6</b>	<b>Administrator's address ②</b>	
Building name/number		
Street		
Post town		
County/Region		
Postcode		
Country		
		<b>② Other administrator</b> Use this section to tell us about another administrator.
<b>7</b>	<b>Appointor/applicant's name</b>	
	Give the name of the person who made the appointment or the administration application.	
Full forename(s)	The Company	
Surname		
<b>8</b>	<b>Proposed liquidator's name</b>	
Full forename(s)	Lloyd	
Surname	Hinton	
Insolvency practitioner number	9 5 1 6	
<b>9</b>	<b>Proposed liquidator's address</b>	
Building name/number	Allan House	
Street	10 John Princes Street	
Post town	London	
County/Region		
Postcode	W 1 G 0 A H	
Country		

## AM22

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**10** Proposed liquidator's name<sup>①</sup>

Full forename(s)

Surname

Insolvency practitioner  
number**① Other liquidator**Use this section to tell us about  
another liquidator.**11** Proposed liquidator's address<sup>②</sup>

Building name/number

Street

Post town

County/Region

Postcode

Country

**② Other liquidator**Use this section to tell us about  
another liquidator.**12** Period of progress report

From date

d	1	2	m	0	6	y	2	0	y	2	3
---	---	---	---	---	---	---	---	---	---	---	---

To date

d	0	5	m	1	0	y	2	0	y	2	3
---	---	---	---	---	---	---	---	---	---	---	---

**13** Final progress report☒ I have attached a copy of the final progress report.**14** Sign and dateAdministrator's  
signature

Signature

X



X

Signature date

d	0	5	m	1	0	y	2	0	y	2	3
---	---	---	---	---	---	---	---	---	---	---	---

**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	Kelly Knight
Company name	Insolve Plus Ltd
Address	Allan House
	10 John Princes Street
Post town	London
County/Region	
Postcode	W 1 G 0 A H
Country	
DX	
Telephone	020 7495 2348

**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 and dated 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

5 October 2023

Our ref: KK/1047H/3.1

**Administrator's Final Progress Report relating to  
Cradgrove Limited formerly known as Ingenious Film Partners 2 Limited ("the  
Company") – In Administration**

**1. Executive Summary**

I have now completed Administration of Cradgrove Limited. The Administration will not be converted into Creditors Voluntary Liquidation to facilitate a dividend to unsecured creditors.

**2. Statutory Information**

Company name: Cradgrove Limited formerly known as Ingenious Film Partners 2 Limited

Registration number: 05494946

Registered Office: 4th Floor Allan House, 10 John Princes Street, London W1G 0AH

Administrator's name: Lloyd Edward Hinton

Administrator's address: Allan House, 10 John Princes Street, London, W1G 0AH

Administrator's contact details: [kellyknight@insolveplus.com](mailto:kellyknight@insolveplus.com) and 020 7495 2348.

Date of appointment: 12 December 2018

Court name and reference: In the High Court of Justice Number 10279 of 2018

**3. Summary of the Administrator's Proposals**

The following proposals were approved by the creditors by way of a Decision Procedure on 19 February 2019.

- (a) I continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that I:

- (i) liaise with the Ingenious group with regards to the ongoing tax case;
  - (ii) sell the Company's assets at such time(s) on such terms as I consider appropriate;
  - (iii) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company; and
  - (iv) do all such things and generally exercise all my powers as Administrator as I consider desirable or expedient at my discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals
- (b) the Administration of the Company will end by filing a notice of dissolution with the Registrar of companies. The Company will then automatically be dissolved by the Registrar of Companies three months after the notice is registered; or
- (c) the Administration will end by placing the Company into Creditors' Voluntary Liquidation, and propose that I, Lloyd Hinton am appointed the Liquidator of the Company; or

Creditors may nominate a different person(s) as the proposed liquidator(s), but they must make the nomination(s) at any time after these proposals are delivered to them, but before they are approved. Information about the approval of the proposals is set out at section 13.

#### **4. Steps taken during the Administration**

I was appointed Administrator of the Company on 12 December 2018 by the Company. I immediately attended to my statutory duties which include notifying Companies House of my appointment, and advertising my appointment and the administration of the Company in the London Gazette. These are tasks that are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

I wrote to Barclays Bank Plc ("Barclays") requesting the funds held in the account and the closure of the bank account. I confirm that in January 2019 the sum of £3,156,604 in respect of the Company's cash at bank.

On 29 January 2019, I issued my proposals to creditors, which were subsequently approved.

Creditors will recall that the principal activity of the Company was as a corporate member of Ingenious Film Partners 2 LLP ("the LLP") a trading Limited Liability Partnership. The Company purchased its interest in the LLP with initial funding provided via a commercial distribution loan.

As a result of its investment in the LLP, the Company retains the right to drawings from the LLP, the majority of which must be used to repay the limited recourse loan received by the Company which financed its investment in the LLP. The drawings available to the Company are driven by the level of film income received by the LLP from its exploitation of the films produced. As film income for the LLP, and hence the level of drawings available to the Company, decreases over time from the release date of the films, it becomes increasingly uneconomic for the Company to incur its annual running costs when these costs are compared to the expected quantum of retained drawings.

As a result of utilising tax losses generated by film production activities, the Company received a notice from HMRC to make accelerated tax payments. The accelerated payments comprise two sources of liability. The first source of liability arises from the Partner Payment Notices (“PPN”), which HMRC have confirmed that they would not seek to collect until the application for a judicial review has been heard. The second source of liability arises from assessments to withdraw the benefit of group relief received, and HMRC have confirmed that these remain payable, subject to an internal HMRC decision to enforce collection.

The Ingenious companies had held discussions with HMRC over their ability to pay both the PPN liabilities and the liabilities arising from the assessments to withdraw the benefit of group relief. They made hardship claims to HMRC and requested that the collection of the outstanding tax is not pursued. These requests were under consideration by HMRC for many months.

As reported in my Proposals, prior to Administration the Company instructed Reynolds Porter Chamberlain LLP (“RPC”) of Tower Bridge House, St Katherine’s Way, London E1W 1AA and Brick Court Chambers of 7-8 Essex Street, London WC2R 3LD in relation to proceedings being brought by groups of claimants to which the Company is a defendant. Following my appointment, the Company has continued with the instructions. It should be noted that the Ingenious group will settle the legal costs in respect of the proceedings.

In July 2019 a hearing took place at the High Court of Justice involving HMRC and Ingenious Film Partners 2 LLP and others in the Ingenious Group. It was ruled that the submissions made be rejected and the appeal was dismissed.

On 25 November 2019, the creditors agreed to extend the Administration of the Company for a period of 12 months. As such the Administration would automatically end on 11 December 2020.

Following the decision of the Upper Tribunal which was received in July 2019, the Partnership has been granted permission to appeal the decision to the Court of Appeal on the substantive issues in the case (i.e. “trading” and “view to profit”). The Court of Appeal hearing date was listed for 11 March 2021 and the hearing was expected to last 6 days.

The Administration was extended until 14 October 2023 by Order of the Court.

On 4 August 2021 the Partnership received the decision of the Court of Appeal. The Court of Appeal reversed the decision of the Upper Tribunal and restored the decision of the First-tier Tribunal that the Partnership was trading with a view to profit.

The effect of restoring the First-tier Tribunal decision is to reduce both the losses available to the Company and its share of taxable income from the Partnership. On receipt of the draft decision, HMRC submitted an application to the Court of Appeal to appeal its decision, which was declined. In the absence of an application to appeal to the Supreme Court, the decision of the Court of Appeal on 4<sup>th</sup> August 2021 represents the final outcome of the tax case (subject to any out of time applications). The impact on the financial statements for the Company upon the Court of Appeal decision has not yet been agreed with HMRC but is expected to be consistent with the estimate of the additional tax and interest liability calculated on the basis of the decision of the First-tier Tax Tribunal.

I was contacted by Charles Russell Speechley Solicitors (“CRS”) who were instructed by the Company and other associated companies prior to Administration in respect of a Judicial Review application to challenge the basis on which Partner Payment Notices and associated assessments to recapture group relief had been issued and to halt HMRC collecting the amounts demanded on behalf of the Company and other associated companies.

Given the position with the partnerships' tax case, the original reasons for entering into the Judicial Review process have fallen away and I therefore confirmed to CRS that their services were not required going forward. I instructed Solicitors, Brecher LLP, of 64 N Row, London W1K 7DA ("Brecher") to assist me in issuing a Notice of Change of Legal Representative and Notice of Discontinuance of the proceedings to both HMRC and the Court. Upon filing the Notice of Discontinuance, as Administrator of the Company I became responsible for the costs of HMRC which totalled £4,000 against the Company and £4,000 against Barnsdale Hills Limited (In Administration). You may recall that the costs incurred in the Administration of Barnsdale Hills Limited (In Administration) are split equally between the Company and Cradgrove Limited (In Administration) and therefore it was agreed that 50% of HMRC's costs in the sum of £2,000 would be paid as an expense of the Administration in respect of Barnsdale Hills Limited (In Administration).

A settlement agreement was entered into with numerous claimants in relation to civil claims against the Company. The Company, along with a number of co-defendant Ingenious entities and individuals jointly instructed Solicitors, RPC in relation to both the HMRC proceedings and also the civil claims, and I have continued with the instruction. The details of the settlement agreement are confidential. There are likely to be subrogated claims in the Administration in respect of the amounts contributed by third parties in order to meet the settlement payments and the matter is in progress.

There is certain work that I am required by the insolvency legislation to undertake in connection with the Administration that provides no financial benefit for the creditors. A description of the routine work undertaken since my last progress report is contained in Appendix I.

## **5. Outcome of Administration**

The Administration will now be converted to Creditors Voluntary Liquidation as approved in the Proposals to facilitate the dividend to unsecured creditors.

## **6. Receipts and Payments Account**

My Receipts & Payments Account for the period from 12 December 2018 to 5 October 2023 and for the period since 12 June 2023 to date is attached.

The Receipts and Payments account shows that the balance of £7,487,145 is being held in the accounts with Barclays Bank Plc and Metro Bank Plc. The balance held will be transferred to the Liquidator. All amounts are shown inclusive of VAT as the Company is not VAT registered. I have reconciled the account against the financial records that I am required to maintain.

### **6.1. Receipts**

#### **6.1.1 Debtors**

The sum of £1,651,013 has been received from Ingenious Resources Limited.

#### **6.1.2 Cash at Bank**

It was estimated that £3,154,018 would be realised from the Company's Barclays bank account however the total sum of £3,156,604 was realised.

### 6.1.3 Film Income

The total sum of £3,194,154 has been received in respect of film income, of which £594,647 has been received during the period covered by this report. This may be subject to charge.

### 6.1.4 Bank Interest Gross

Bank interest of £15,392 has been received from Metro Bank Plc, of which, £399 has been received during the period covered by this report.

Bank interest of £29,274 has been received from Barclays Bank Plc during the period covered by this report.

## 6.2. Assets remaining to be realised

### 6.2.1 Investments

The Company retains the right to drawings from the LLP, the majority of which must be used to repay the limited recourse loan received by the Company which financed its investment in the LLP. The drawings available to the Company are driven by the level of film income received by the LLP from its exploitation of the films produced. I am awaiting further advice in relation to the investment and security.

## 6.3. Payments

### 6.3.1 Specific Bond

An amount of £1,936 has been paid to AUA Insolvency Risk Services Limited and £4,644 reimbursed to Insolve Plus Ltd in respect of the specific bond insurance required to be held by statute.

### 6.3.2 Pre Administration Fee

The sum of £6,000 was drawn in respect of the Administrator's pre appointment fees. Further information on the Administrators pre appointment fees can be found at Paragraph 8 below.

### 6.3.3 Barnsdale Hills Limited Pre Administration Fees

The creditors agreed that the pre appointment fees of a connected company Barnsdale Hills Limited (in Administration), totalling £6,000, could be paid from the Administration estate of the Company. The sum of £3,000 has been paid by the Company and the remainder paid, as agreed by creditors, by Langreave Limited in Administration.

### 6.3.4 Barnsdale Hills Limited Post-Appointment Fees

The creditors agreed that the post appointment fees of a connected company Barnsdale Hills Limited (in Administration), could be paid from the Administration estate of the Company. As such, £29,300 has been paid by the Company an equal amount has been paid by Cradgrove Limited (In Administration).

### 6.3.5 Legal Fees

An amount of £15,180 has been paid to Brecher LLP in respect of legal fees.

A further sum of £3,132 has been paid to Keystone Law Limited in respect of legal advice obtained in relation to the potential subrogated claims.

#### 6.3.6 Legal Disbursements

£1,020 was paid to Brecher LLP to discharge Counsel's fees and a Court Fee of £95 was also paid.

#### 6.3.7 Corporation Tax

£405,213 has been paid to HMRC to discharge the Corporation Tax liability of which £402,640 was paid during the period covered by this report.

#### 6.3.8 HMRC Costs

The sum of £4,000 was paid to Brecher LLP's client account in respect of HMRC's cost in relation to the judicial review as previously reported.

#### 6.3.9 Barnsdale Hills Legal Fees

Legal fees of £1,775 have been paid to Brecher LLP on behalf of Barnsdale Hills Limited.

#### 6.3.10 Barnsdale Hills Legal Disbursements

Legal disbursements of £243 have been paid to Brecher LLP on behalf of Barnsdale Hills Limited.

#### 6.3.11 HMRC Costs - Barnsdale Hills

The sum of £2,000 was paid to Brecher LLP's client account in respect of 50% of the costs of HMRC in relation to the judicial review.

#### 6.3.12 Statutory Advertising

An amount of £67 has been reimbursed to Insolve Plus Ltd in respect of the amount paid for statutory advertising in the London Gazette.

#### 6.3.13 Bank Charges

£25 has been paid to Metro Bank in respect of bank charges.

#### 6.3.13 Accountancy Fees

During the final period, £1,200 has been paid to PB Partners LLP for their assistance in preparing the post Liquidation Corporation Tax return.

## **7. Investigation Into the affairs of the Company**

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. Specifically, I recovered and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the 24 months prior to the Administration of the Company from the Company's bankers; and compared the information in the Company's last set of accounts

with that contained in the statement of affairs lodged in the Administration and made enquiries about the reasons for the changes.

There were no matters that justified further investigation in the circumstances of this appointment.

Within three months of my appointment as Administrator, I submitted a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company.

## **8. Pre-Administration Costs**

On 19 February 2019 the following pre-administration costs were approved by the creditors by correspondence:

- Pre-administration fees charged by Insolve Plus Ltd: £5,000 plus VAT. This fee has been drawn in full.
- Pre-administration legal fees charged by Brecher LLP: £3,000 plus VAT, this fee has been paid.

### **8.1 Barnsdale Hills Limited – In Administration**

On 19 February 2019, creditors also voted by correspondence that the pre-administration fixed fee of £5,000 plus VAT incurred for work undertaken in relation to a connected company, Barnsdale Hills Limited, be approved and paid for by the Company. This fee was part paid by the Company and the remainder of £3,000 was paid by Langreave Limited (In Administration).

The costs incurred by Brecher LLP of £3,000 plus VAT incurred for work undertaken in relation to Barnsdale Hills Limited was approved and authorised to be paid by the Company. This fee was part paid by the Company and the balance was paid by Langreave Limited (In Administration).

## **9. Administrator's Remuneration**

### **9.1 Cradgrove Limited**

On 19 February 2019, creditors voted on decisions by correspondence that my remuneration be approved on a time cost basis based on a fee estimate of £49,258. On 1 August 2023, I sought an increase in the time cost previously approved and creditors agreed that my fee estimate be increased to £98,862 plus VAT.

My total time costs from 12 December 2018 to 5 October 2023 amount to £68,976 representing time spent of 187 hours and 42 minutes at an average charge out rate of £367 of which £8,066 representing 20 hours and 36 minutes at an average charge out rate of £392 was charged in the period from 12 June 2023 to 5 October 2023. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £332 in my fees estimate. The increase is due to additional work being carried out at Director level.

A schedule of my time costs incurred from 12 June 2023 to 5 October 2023 together with a cumulative of the total time costs incurred for the entire period of my appointment to 5 October 2023 is enclosed.

To date, I have drawn the sum of £79,817 inclusive of VAT, of which, £23,937 was drawn during the final reporting period.

## 9.2 Barnsdale Hills Limited – In Administration

In addition, on 19 February 2019 the Company's creditors voted on decisions by correspondence that my post appointment remuneration in respect of Barnsdale Hills Limited be approved on a time cost basis, based on a fee estimate of £49,258. On 1 August 2023, I sought an increase in the time cost previously approved and creditors agreed that my fee estimate be increased to £98,862 plus VAT.

My time costs for the entirety of the Administration to 5 October 2023 amount to £50,414 representing 133 hours and 24 minutes of work at an average charge out rate of £378, of which £3,583 representing 9 hours and 6 minutes at an average charge out rate of £394 was incurred in the period from 12 June 2023 to 5 October 2023. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £332 in my fee estimate due to the nature of work arising which requires director level input.

I enclose a schedule of my time costs incurred for the period from 12 June 2023 to 5 October 2023, and a schedule showing my total time costs incurred for the entire period of my appointment to 5 October 2023.

During the final period covered by this report, I have paid £7,128 inclusive of VAT in respect of remuneration for Barnsdale Hills Limited. I can also confirm that £7,128 inclusive of VAT was also paid by Langreave Limited (In Administration).

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Administrators' Fees' also published by R3, together with an explanatory note which shows Insolve Plus Ltd's fee policy are available at the link [www.insolveplus.com/faq](http://www.insolveplus.com/faq)

Please note that there are different versions of the Guidance Notes, and in this case you should refer to the most recent version.

## 10. Administrator's Expenses

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into:

- category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
- category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration.

### 10.1. Category 1 expenses

I have incurred the following category 1 expenses in the Administration. I have not incurred any category 1 expenses in the final period.

<b>Nature of category 1 expense</b>	<b>Amount incurred/ accrued in reporting period</b>	<b>Amount incurred/ accrued in total</b>	<b>Amount unpaid</b>
Statutory Advertising	-	£67	-
Specific Bond	-	£4,644	-

Legal fees have also been paid as per the attached Receipts and Payments Account.

#### 10.2. Category 2 expenses

I have not incurred any category 2 expenses.

I have used the following professional advisors during the course of the Administration.

<b>Professional Advisor</b>	<b>Nature of Work</b>	<b>Basis of Fees</b>
RPC	Legal Advice	Time Costs
Brecher LLP	Solicitors	Time Costs
PB Partners LLP	Accountants	Fixed Fee

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I also confirmed that they hold appropriate regulatory authorisations. I have reviewed the fees they have charged and am satisfied that they are reasonable in the circumstances of this case.

## 11. Liabilities

### 11.1. Secured Creditors

As reported above, the Company holds an interest in the LLP. The value of the investment is approximately £586,559,890. The investment is subject to fixed charges, and the liability totals £578,728,836.

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company granted 68 outstanding charges registered at Companies House, details of which were provided with my Proposals to creditors dated 29 January 2019. It would appear that these are fixed charges over specific assets. I have instructed Solicitors to review the position.

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £600,000. As there are no floating charges registered, the Prescribed Part

provisions will not apply.

#### **11.2. Preferential Creditors**

It was not anticipated that there would be any preferential creditor claims and I confirm no preferential claims have been received.

#### **11.3. Crown Creditors**

The Company estimated that HMRC were owed £10,873,263 in respect of Corporation Tax.

As a result of utilising tax losses generated by film production activities, the Company received a notice from HMRC to make accelerated tax payments. The accelerated payments comprise two sources of liability. The first source of liability arose from Partner Payment Notices, which HMRC confirmed that they would not seek to collect until the application for a judicial review had been heard. The second source of liability arose from assessments to withdraw the benefit of group relief received, and HMRC confirmed that these remain payable, subject to an internal HMRC decision to enforce collection. A formal final claim has not yet been received.

#### **11.4. Non-preferential unsecured Creditors**

The Company has four known intercompany creditors, who are owed a total of approximately £8,468,223. Three claims have been received to date, totalling £8,465,223.

### **12. Dividend Outcome**

#### **12.1 Secured creditors**

The position regarding the LLP investment and the secured creditors is being reviewed and further information concerning any return to the secured creditors will be provided to creditors in due course.

#### **12.2 Crown Creditors and Unsecured creditors**

There will be a return to unsecured creditors, however, the quantum and timing is uncertain. The position will be reported upon further in due course.

### **13. Further Information**

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Administrator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Insolve Plus Ltd, including about our complaints policy and Professional Indemnity Insurance, can be found at [www.insolveplus.com](http://www.insolveplus.com)

#### **14. Summary**

The Administration as approved in the proposals is now complete the Administration will be converted to Liquidation. If creditors have any queries regarding the conduct of the Administration, or this report, or if they want hard copies of any of the documents made available on-line, they should contact Kelly Knight on 020 7495 2348, or by email at [kellyknight@insolveplus.com](mailto:kellyknight@insolveplus.com).

Yours faithfully

A handwritten signature in black ink, appearing to read 'Lloyd Hinton', with a stylized flourish at the end.

Lloyd Edward Hinton FIPA  
Administrator

## **Appendix I Details of Work undertaken to date**

### Administration

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to staff to undertake the work on the case.
- Setting up electronic case files.
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder must obtain for each insolvency appointment).
- Convening a decision procedure to seek a decision from creditors to approve the basis of remuneration.
- Supervising the work of advisors instructed on the case to assist in dealing with pension schemes; obtaining reports and updates from them on the work done; and checking the adequacy of the work done.
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the estate bank account.
- Creating, maintaining and managing a cashbook.
- Undertaking regular bank reconciliations of the estate bank account.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing 6 monthly progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.
- Preparing, reviewing and issuing a final progress report of the Administration to creditors and members.
- Filing a final return at Companies House.

### Creditors

Claims of creditors - the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.
- Liaising with Solicitors regarding Twentieth Century Fox.

## **Rule 18.9 – Creditors’ and members’ requests for further information in administration, winding up and bankruptcy**

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

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

**Rule 18.34 – Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive**

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by

a person mentioned in paragraph (2) on the grounds that—

(a) the remuneration charged by the office-holder is in all the circumstances excessive;

(b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as

applicable) is inappropriate; or

(c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37

as applicable—

(a) a secured creditor,

(b) an unsecured creditor with either—

(i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or

(ii) the permission of the court, or

(c) in a members' voluntary winding up—

(i) members of the company with at least 10% of the total voting rights of all the members having the right to

vote at general meetings of the company, or

(ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the

applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports

the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

**Cradgrove Limited formerly Ingenious Film Partners 2 Limited**

**(In Administration)**

**Administrator's Summary of Receipts and Payments (Accruals Basis)**

Statement of Affairs £	From 12 June 2023 To 05 October 2023	From 12 December 2018 To 05 October 2023 £
<b>SECURED ASSETS</b>		
586,559,890.00 Investment	0.00	0.00
	<hr/>	<hr/>
	0.00	0.00
<b>SECURED CREDITORS</b>		
(578,728,836.00) Chargeholder	0.00	0.00
	<hr/>	<hr/>
	0.00	0.00
<b>ASSET REALISATIONS</b>		
1,651,013.00 Debtors	0.00	1,651,013.00
3,154,018.00 Cash at Bank	0.00	3,156,603.76
Film Income	594,646.60	3,194,153.71
Bank Interest Gross	29,672.53	44,665.87
	<hr/>	<hr/>
	624,319.13	8,046,436.34
<b>COST OF REALISATIONS</b>		
Specific Bond	0.00	7,224.00
Pre Administration Fees	0.00	6,000.00
Office Holders Fees	23,937.00	79,817.40
Barnsdale Pre Administration Fees	0.00	3,000.00
Barnsdale Post-Appointment Fees	7,128.30	29,300.10
Legal Fees	3,132.00	18,312.55
Legal disbursements	0.00	1,115.00
Corporation Tax	402,640.02	405,212.71
HMRC Costs	0.00	4,000.00
Barnsdale Hills Legal Fees	0.00	1,774.50
Barnsdale Hills Legal Disbursements	0.00	242.50
HMRC Costs - Barnsdale Hills	0.00	2,000.00
Statutory Advertising	0.00	67.34
Bank Charges	25.00	25.00
Accountancy Fees	1,200.00	1,200.00
	<hr/>	<hr/>
	(438,062.32)	(559,291.10)
<b>UNSECURED CREDITORS</b>		
(10,873,263.00) H M Revenue & Customs - CT	0.00	0.00
(165,246.25) Ingenious Media Limited	0.00	0.00
(6,648,964.18) IFP2 Corporate Partner Limited	0.00	0.00
(1,651,012.56) Ingenious Treasury Services Limited	0.00	0.00
(3,000.00) Ingenious Media Investments Limited	0.00	0.00
	<hr/>	<hr/>
	0.00	0.00
<b>DISTRIBUTIONS</b>		

Statement  
of Affairs  
£

(1.00) Ordinary Shareholders

(6,705,401.99)

REPRESENTED BY

Bank 1 Current

Bank 1 Deposit

From 12 June 2023    From 12 December  
To 05 October 2023    2018  
£    To 05 October 2023  
£

0.00    0.00

0.00    0.00

186,256.81    7,487,145.24

1,863,224.67

5,623,920.57

7,487,145.24

12 June 2023 to 05 October 2023

[illegible]

[illegible]

Classification of Work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	SIP9 Additional 1	SIP9 Additional 2	Total Hours	Time Cost (£)	Average Hourly Rate (£)	Total Hours Cum (POST Only)	Total Time Costs Cum (POST Only)
**Freehold/Leasehold Property Realisation of assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	35.00
Other	0.70	0.00	0.00	0.00	0.00	0.00	0.70	412.50	589.29	5.30	2,130.50
**Realisation of assets											
**Work In Progress WIP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	119.00
Realisation of Assets	0.90	0.00	0.00	0.00	0.00	0.00	0.90	522.50	580.56	8.70	3,654.50
Total Hours	10.50	0.20	8.80	1.10	0.00	0.00	20.60	8,066.00	391.55	187.70	68,975.50
Total Fees Claimed								0.00			
Total Expenses Claimed								0.00			

\*\* Denotes codes included in cumulative data that are not present in the period.  
n/a - Denotes time recorded under that section with no sub-analysis code specified

**Time Entry - Cumulative Detailed SIP9 Time & Cost Summary**  
**Barnsdale Hills Limited formerly Ingenious Film Partners 3 Limited - I048H**  
**12 June 2023 to 05 October 2023**

Showing Post-Appointment Only & Including Sub-Analysis Codes

Classification of Work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	SIP9 Additional 1	SIP9 Additional 2	Total Hours	Time Cost (£)	Average Hourly Rate (£)	Total Hours Cum (POST Only)	Total Time Costs Cum (POST Only)
<b>**Administration &amp; Planning</b>											
** n/a	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	37.50
**Administrative set-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.40	1,117.50
**Application for Bordeaux	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	17.50
**Appointment notification	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.60	1,454.00
**Bank Reconciliation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.90	1,196.50
<b>Administration &amp; Planning</b>											
Billing	0.10	0.00	0.00	0.00	0.00	0.00	0.10	55.00	550.00	0.90	240.00
<b>**Administration &amp; Planning</b>											
**Bonding/Bordereau	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	111.50
**case planning	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.70	2,581.00
<b>Administration &amp; Planning</b>											
Case Review	0.60	0.00	1.80	0.00	0.00	0.00	2.40	723.00	301.25	11.60	4,655.50
Correspondence (provide description who with)	0.20	0.00	0.00	0.00	0.00	0.00	0.20	121.00	605.00	2.70	953.00
<b>**Administration &amp; Planning</b>											
**Diary Review & Updating	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50	322.50
**Document Inventory & Storage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	52.50
**Drafting file notes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	110.00
**Meeting with (insert detail in description)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Administration &amp; Planning</b>											
Payment Voucher	0.60	0.00	0.00	0.00	0.00	0.00	0.60	330.00	550.00	0.80	355.00
<b>**Administration &amp; Planning</b>											
**Post Appointment Corporation Tax Returns	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.80	789.50
**Pre Appointment Tax Returns	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	25.00
<b>Administration &amp; Planning</b>											
Preparation of Meeting Minutes	0.40	0.00	0.00	0.00	0.00	0.00	0.40	220.00	550.00	1.80	570.00
<b>**Administration &amp; Planning</b>											
**Preparing Appointment documentation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
**Reviewing Correspondence	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.80	570.00
<b>Administration &amp; Planning</b>											
Statutory Reporting	2.40	0.00	2.50	0.00	0.00	0.00	4.90	1,847.50	377.04	51.90	18,535.00
Statutory Returns to Registrar of	0.20	0.00	0.00	0.00	0.00	0.00	0.20	110.00	550.00	2.90	767.50

Classification of Work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	SIP9 Additional 1	SIP9 Additional 2	Total Hours	Time Cost (£)	Average Hourly Rate (£)	Total Hours Cum (POST Only)	Total Time Costs Cum (POST Only)
Companies											
Administration & Planning	4.50	0.00	4.30	0.00	0.00	0.00	8.80	3,406.50	387.10	103.90	34,461.00
<b>**Creditors</b>											
**Agreement of Creditor Claims (non-Prescribed Part)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.20	5,475.00
<b>Creditors</b>											
Agreement of Secured Creditor Claims	0.20	0.00	0.00	0.00	0.00	0.00	0.20	121.00	605.00	2.30	1,370.50
<b>**Creditors</b>											
**Conversation/Correspondence with Creditor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.30	2,324.00
**Conversation/Correspondence with HM Revenue & Customs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.10	3,482.50
**Conversation/Correspondence/Report to Secured Creditor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	238.00
<b>Creditors</b>	0.20	0.00	0.00	0.00	0.00	0.00	0.20	121.00	605.00	22.30	12,890.00
<b>**Investigation</b>											
**Investigating Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	75.00
**SIP2/CDDA Investigation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.60	1,470.00
<b>Investigations</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.90	1,545.00
<b>**Realisation of assets</b>											
**Asset Realisation Review	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	70.00
<b>Realisation of assets</b>											
Cash at bank	0.10	0.00	0.00	0.00	0.00	0.00	0.10	55.00	550.00	0.90	301.50
<b>**Realisation of assets</b>											
**Conversation/Correspondence with Bank	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	100.00
**Conversation/Correspondence with Lawyer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	178.50
**Debt Collection	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	238.00
**Freehold/Leasehold Property	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	35.00
**Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	595.00
<b>Realisation of Assets</b>	0.10	0.00	0.00	0.00	0.00	0.00	0.10	55.00	550.00	3.30	1,518.00

Classification of Work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	SIP9 Additional 1	SIP9 Additional 2	Total Hours	Time Cost (£)	Average Hourly Rate (£)	Total Hours Cum (POST Only)	Total Time Costs Cum (POST Only)
Total Hours	4.80	0.00	4.30	0.00	0.00	0.00	9.10	3,582.50	393.68	133.40	50,414.00
Total Fees Claimed								0.00			
Total Expenses Claimed								0.00			

\*\* Denotes codes included in cumulative data that are not present in the period.  
n/a - Denotes time recorded under that section with no sub-analysis code specified