



For further information, please
refer to our guidance at
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 Administrator's name

Full forename(s) Lloyd Edward

Surname Hinton

3 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

4 Administrator's name ①

Full forename(s)

Surname

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other administrator


Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

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

7	Progress report											
<input checked="" type="checkbox"/> I attach a copy of the progress report												

8	Sign and date															
Administrator's signature	<div>Signature</div> <div>  </div>															
Signature date	d	0	d	7	m	0	m	7	y	2	y	0	y	2	y	1

**Presenter information**

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

Contact name **Layla Marsh**

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 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

Cradgrove Limited formerly Ingenious Film Partners 2 Limited
(In Administration)
Administrator's Summary of Receipts & Payments

Statement of Affairs £		From 12/12/2020 To 11/06/2021 £	From 12/12/2018 To 11/06/2021 £
586,559,890.00	SECURED ASSETS Investment	NIL NIL	NIL NIL
(578,728,836.00)	SECURED CREDITORS Chargeholder	NIL NIL	NIL NIL
	ASSET REALISATIONS		
	Bank Interest Gross	2,372.52	8,233.83
3,154,018.00	Cash at Bank	NIL	3,156,603.76
1,651,013.00	Debtors	NIL	1,651,013.00
		2,372.52	4,815,850.59
	COST OF REALISATIONS		
	Barnsdale Hills Legal Disbursements	NIL	242.50
	Barnsdale Hills Legal Fees	NIL	1,774.50
	Barnsdale Post-Appointment Fees	NIL	8,431.80
	Barnsdale Pre Administration Fees	NIL	3,000.00
	Corporation Tax	NIL	348.64
	Legal disbursements	NIL	1,115.00
	Legal Fees	NIL	11,340.00
	Office Holders Fees	NIL	17,480.40
	Pre Administration Fees	NIL	6,000.00
	Specific Bond	NIL	6,580.00
	Statutory Advertising	NIL	67.34
		NIL	(56,380.18)
(10,873,263.00)	UNSECURED CREDITORS		
(6,648,964.18)	H M Revenue & Customs - CT	NIL	NIL
(3,000.00)	IFP2 Corporate Partner Limited	NIL	NIL
(165,246.25)	Ingenious Media Investments Limited	NIL	NIL
(1,651,012.56)	Ingenious Media Limited	NIL	NIL
	Ingenious Treasury Services Limited	NIL	NIL
		NIL	NIL
(1.00)	DISTRIBUTIONS		
	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(6,705,401.99)		2,372.52	4,759,470.41
	REPRESENTED BY		
	Bank 1 Current		4,759,470.41
			4,759,470.41

Note:

6 July 2021

Our Ref: LM/I047H/3.1

**Administrator's Progress Report to Creditors
For the Period From 12 December 2020 to 11 June 2021**

Dear Sirs

**Cradgrove Limited - In Administration
High Court of Justice Number 10275 of 2018**

1. EXECUTIVE SUMMARY

This is my report on the progress of the Administration of the Company for the period from 12 December 2020 to 11 June 2021 and should be read in conjunction with my previous progress reports to creditors.

2. STATUTORY INFORMATION

Company name:	Cradgrove Limited
Formerly known as:	Ingenious Film Partners 2 Limited
Court name and reference:	High Court of Justice 10275 of 2018
Registered office:	4th Floor Allan House, 10 John Princes Street, London, W1G 0AH
Former registered office:	15 Golden Square, London, W1F 9JG
Registered number:	05494946
Administrator's name:	Lloyd Edward Hinton
Administrator's address:	4th Floor Allan House, 10 John Princes Street, London, W1G 0AH
Administrator's date of appointment:	12 December 2018
Appointed by:	The Company

A Court Order made on 14 October 2020 extended the Administration of the Company for a period of 36 months, such that the Administration will now automatically end on 14 October 2023.

As the Company had its only place of business at premises in the UK, the EC regulations apply, these proceedings are Main Proceedings as defined in Article 3 of the EC Regulation.

3. OBJECTIVES OF THE ADMINISTRATION AND THE ADMINISTRATOR'S STRATEGY FOR ACHIEVING THEM

As the Administrator of the Company, I am an officer of the Court, and must perform my duties in the interests of the creditors as a whole in order to achieve the purpose of the Administration, which is to achieve one of the three objectives set out in the insolvency legislation.

As previously reported, the objective I am seeking is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration) which will be achieved, in the event that the tax case with HM Revenue & Customs ("HMRC") is not successful, or not wholly successful, by the Parent Company contributing an element of cash to the Company and provide all ongoing services to the Company without cost.

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. I sought a decision from creditors to extend the duration of the Administration for a further period of 12 months. The creditors agreed and therefore the Administration was due to end automatically on 11 December 2020.

Creditors will recall that in light of the tax case with HMRC being ongoing, I made an Application to Court for the Administration to be extended further and on 14 October 2020 the Court made an Order that the period of the Administration be extended to 14 October 2023.

4. ADMINISTRATOR'S ACTIONS SINCE LAST PROGRESS REPORT

I issued my progress report for the period 12 June 2020 to 11 December 2020 on 7 January 2021.

As previously reported, the Company is a member of an Ingenious Film Partners partnership ("the Partnership"), and the Partnership continues to be engaged in a long running tax case with HMRC. 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") and we are awaiting the outcome of the appeal.

As previously reported, prior to Administration the Company instructed Reynolds Porter Chamberlain LLP ("RPC") of Tower Bridge House, St Katherine's Way, London E1W 1AA in relation to the proceedings being brought. I have continued with the instruction.

In order to achieve the objective of the Administration of the Company I will continue to liaise with the Ingenious Group with regard to the Court of Appeal hearing. If the proceedings brought are unsuccessful, I will request that the parent company settles any associated costs of the proceedings.

I will update creditors further in my next progress report.

5. RECEIPTS AND PAYMENTS ACCOUNT

My Receipts and Payments Account for the period from 12 December 2020 to 11 June 2021, and for the entirety of the Administration until 11 June 2021 is attached.

Creditors will note that as the Company is not registered for VAT, all transactions are shown inclusive of VAT where applicable. Estate funds are held on an interest bearing account at Metro Bank Plc.

5.1 Receipts

5.1.1 Bank Interest Gross

Bank Interest of £2,373 has been received from Metro Bank Plc during the reporting period in respect of the funds held in the Administration bank account.

5.2 Asset Remaining to be Realised

5.2.1 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 seeking advice in relation to the investment and security.

5.3 Payments

There have not been any payments during the period covered by this report.

6. LIABILITIES

6.1 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. The Prescribed Part provisions will not apply.

6.2 Preferential Creditors

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

6.3 Crown Creditors

The Company estimated that HMRC are owed £10,873,263 in respect of Corporation Tax and also in relation to the accelerated payment notice issued. HMRC have advised that £8,401,623 is outstanding in respect of tax liabilities arising from the first tier tribunal's decision.

6.4 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.

7. DIVIDEND PROSPECTS

7.1 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.

7.2 Non-preferential unsecured creditors

It appears at this stage that 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.

8. INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

During the reporting period there have been no matters that justified further investigation in the circumstances of this appointment.

9. 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.

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 sum 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 has been part paid by the Company and the balance was paid by Langreave Limited (in Administration).

10. ADMINISTRATOR'S REMUNERATION

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. My total time costs from 12 December

2018 to 11 June 2021 amount to £36,412 representing time spent of 105 hours and 30 minutes at an average charge out rate of £345, of which £2,145, representing 6 hours and 18 minutes at an average charge out rate of £341 was charged in the period from 12 December 2020 to 11 June 2021. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £332 in my fees estimate.

A schedule of my time costs incurred from 12 December 2020 to 11 June 2021 together with a schedule of the total time costs incurred for the entire period of my appointment to 11 June 2021 is enclosed.

To date, I have drawn the sum of £17,480 including VAT.

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. My time costs for the entirety of the Administration to 11 June 2021 amounts to £29,158, representing 84 hours and 24 minutes at an average charge out rate of £346, of which £2,275 representing 6 hours and 18 minutes at an average charge out rate of £361 was incurred in the period from 12 December 2020 to 11 June 2021. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £332 in my fee estimate.

I enclose a schedule of my time costs incurred from 12 December 2020 to 11 June 2021, and a schedule showing my total time costs incurred for the entire period of my appointment to 11 June 2021.

I do not anticipate that the total time costs will exceed the fee estimate.

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 <http://www.insolveplus.com/faq>.

11. ADMINISTRATOR'S EXPENSES

11.1 Category 1 Expenses

I have not incurred or paid any disbursements in the reporting period.

11.2 Category 2 Expenses

On 19 February 2019 Creditors agreed by correspondence that the Administrator be authorised to draw Category 2 Expenses. During the period covered by this report no Category 2 Expenses have been incurred.

12. PROFESSIONAL ADVISORS APPOINTED

I have utilised the following professional advisors since my appointment as Administrator, who have continued to be instructed throughout the period covered by this report:

Professional Advisor	Nature of Work	Fee Arrangement
Brick Court	Legal advice	Time costs
RPC	Legal advice	Time costs
Brecher LLP	Solicitors	Time costs

The choice of Brick Court and RPC was based on my perception of their experience and ability to perform this type of work having previously acted for the Company and the complexity and nature of the assignment. It should be noted that the legal costs in relation to the proceedings will be met by the Ingenious Group.

The choice of Brecher LLP based on my perception of their experience and ability to perform this type of work. I am satisfied with the charges and that they are reasonable within the circumstances of the case.

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 my 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 my 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 can be found at <http://www.insolveplus.com/faq>.

14. SUMMARY

Clarity must be obtained concerning the investment and secured liability position and ascertain the outcome of the HMRC proceedings. I estimate that this could take approximately two years, and once these matters have been finalised the Administration will cease and my files will be closed, or the Administration will be converted to a Liquidation, as approved in the proposals.

If creditors have any queries regarding the conduct of the Administration, or if they require hard copies of any of the documents made available online, they should contact Layla Marsh by email at laylamarsh@insolveplus.com, or by phone on 020 7495 2348.

Yours faithfully



Lloyd Hinton FIPA
Administrator

Cradgrove Limited formerly Ingenious Film Partners 2 Limited
(In Administration)
Administrator's Summary of Receipts & Payments

Statement of Affairs £	From 12/12/2020 To 11/06/2021 £	From 12/12/2018 To 11/06/2021 £
586,559,890.00	SECURED ASSETS	
	Investment	NIL
		NIL
(578,728,836.00)	SECURED CREDITORS	
	Chargeholder	NIL
		NIL
	ASSET REALISATIONS	
	Bank Interest Gross	2,372.52
3,154,018.00	Cash at Bank	8,233.83
1,651,013.00	Debtors	3,156,603.76
		1,651,013.00
		4,815,850.59
	COST OF REALISATIONS	
	Barnsdale Hills Legal Disbursements	NIL
	Barnsdale Hills Legal Fees	242.50
	Barnsdale Post-Appointment Fees	1,774.50
	Barnsdale Pre Administration Fees	8,431.80
	Corporation Tax	3,000.00
	Legal disbursements	348.64
	Legal Fees	1,115.00
	Office Holders Fees	11,340.00
	Pre Administration Fees	17,480.40
	Specific Bond	6,000.00
	Statutory Advertising	6,580.00
		67.34
		(56,380.18)
(10,873,263.00)	UNSECURED CREDITORS	
(6,648,964.18)	H M Revenue & Customs - CT	NIL
(3,000.00)	IFP2 Corporate Partner Limited	NIL
(165,246.25)	Ingenious Media Investments Limited	NIL
(1,651,012.56)	Ingenious Media Limited	NIL
	Ingenious Treasury Services Limited	NIL
		NIL
	DISTRIBUTIONS	
(1.00)	Ordinary Shareholders	NIL
		NIL
(6,705,401.99)		2,372.52
	REPRESENTED BY	4,759,470.41
	Bank I Current	4,759,470.41
		4,759,470.41

Time Entry - Cumulative Detailed SIP9 Time & Cost Summary

I047H - Cradgrove Limited formerly Ingenious Film Partners 2 Limited
From: 12/12/2020 To: 11/06/2021
All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Avg Hourly Rate (£)	Hours Cum (POST Only)	Time Costs Cum (POST Only)
100 : Administration & Planning	0.70	0.00	4.50	0.30	5.50	1,669.00	303.45	85.10	26,626.50
Administration & Planning	0.70	0.00	4.50	0.30	5.50	1,669.00	303.45	85.10	26,626.50
500 : Creditors	0.50	0.00	0.00	0.00	0.50	297.50	595.00	14.30	7,488.50
Creditors	0.50	0.00	0.00	0.00	0.50	297.50	595.00	14.30	7,488.50
** 200 : Investigation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.20	282.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.20	282.00
300 : Realisation of assets	0.30	0.00	0.00	0.00	0.30	178.50	595.00	4.90	2,015.00
Realisation of Assets	0.30	0.00	0.00	0.00	0.30	178.50	595.00	4.90	2,015.00
Total Hours	1.50	0.00	4.50	0.30	6.30	2,145.00	340.48	105.50	36,412.00
Total Fees Claimed						19,567.00			

** - Denotes codes included in cumulative data that are not present in the period.

Time Entry - Cumulative Detailed SIP9 Time & Cost Summary

I048H - Barnsdale Hills Limited formerly Ingenious Film Partners 3 Limited
From: 12/12/2020 To: 11/06/2021
All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Avg Hourly Rate (£)	Hours Cum (POST Only)	Time Costs Cum (POST Only)
100 : Administration & Planning	0.80	0.00	3.60	1.10	5.50	1,799.00	327.09	71.20	22,901.50
Administration & Planning	0.80	0.00	3.60	1.10	5.50	1,799.00	327.09	71.20	22,901.50
500 : Creditors	0.50	0.00	0.00	0.00	0.50	297.50	595.00	6.80	3,664.50
Creditors	0.50	0.00	0.00	0.00	0.50	297.50	595.00	6.80	3,664.50
** 200 : Investigation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.90	1,545.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.90	1,545.00
300 : Realisation of assets	0.30	0.00	0.00	0.00	0.30	178.50	595.00	2.50	1,046.50
Realisation of Assets	0.30	0.00	0.00	0.00	0.30	178.50	595.00	2.50	1,046.50
Total Hours	1.60	0.00	3.60	1.10	6.30	2,275.00	361.11	84.40	29,157.50
Total Fees Claimed						19,053.00			

** - Denotes codes included in cumulative data that are not present in the period.

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").

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).