

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

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refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 7 4 8 6 7 1 5

Company name in full Boxing Channel Media Ltd

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Kirstie Jane

Surname Provan

### 3 Liquidator's address

Building name/number 31st Floor

Street 40 Bank Street

Post town London

County/Region

Postcode E 1 4 5 N R

Country

### 4 Liquidator's name ①

Full forename(s) Gary Paul

Surname Shankland

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 31st Floor

Street 40 Bank Street

Post town London

County/Region

Postcode E 1 4 5 N R


Country

#### ② Other liquidator

Use this section to tell us about  
another liquidator.

# LIQ03

## Notice of progress report in voluntary winding up

<b>6</b>	<b>Period of progress report</b>													
From date	<sup>d</sup>	0	<sup>d</sup>	6	<sup>m</sup>	1	<sup>m</sup>	2	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	0
To date	<sup>d</sup>	0	<sup>d</sup>	5	<sup>m</sup>	1	<sup>m</sup>	2	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2
<b>7</b>	<b>Progress report</b>													
<input checked="" type="checkbox"/> The progress report is attached														
<b>8</b>	<b>Sign and date</b>													
Liquidator's signature	<div>Signature</div> <div>  </div>													
Signature date	<sup>d</sup>	0	<sup>d</sup>	9	<sup>m</sup>	1	<sup>m</sup>	2	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2

**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 **Chloe Henshaw**

Company name **Begbies Traynor (London) LLP**

Address **31st Floor**

**40 Bank Street**

Post town **London**

County/Region

Postcode **E 1 4 5 N R**

Country

DX

Telephone **020 7516 1500**

**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](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)**

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## Boxing Channel Media Ltd **(In Creditors' Voluntary Liquidation)**

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Progress report

Period: 6 December 2020 to 5 December 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.

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# 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Boxing Channel Media Ltd (In Creditors' Voluntary Liquidation)
"the Liquidation"	The appointment of liquidators on 6 December 2019.
"the Liquidators", "we", "our" and "us"	Kirstie Jane Provan and Gary Paul Shankland of Begbies Traynor (London) LLP, 31st Floor, 40 Bank Street, London, E14 5NR
"Begbies"	Begbies Traynor (London) LLP
"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", "the Preferentials"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act
"HMRC"	Her Majesty's Revenue & Customs

# 2. COMPANY INFORMATION

Trading name:	BoxNation
Company registered number:	07486715
Company registered office:	31st Floor, 40 Bank Street, London, E14 5NR
Former trading address:	Unit 1A, 191A Askew Road, London, W12 9AX

# 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	6 December 2019
Date of liquidators' appointment:	6 December 2019
Changes in liquidator:	None

## 4. PROGRESS DURING THE PERIOD

### Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments account ("Account") for the period from 6 December 2020 to 5 December 2021 ("the Period"), incorporating the estimated outcome statement ("EOS"). The Company was formerly registered for VAT purposes but has subsequently been deregistered. Notwithstanding and nevertheless, VAT on costs and expenses in the Liquidation is reclaimable by the Liquidation estate ("the Estate"). Accordingly, amounts are stated net of VAT (i.e. excluding VAT) where applicable. Our comments on the principal material items appearing in the Account are detailed below.

### RECEIPTS

#### Book debts

An amount of £12.5K has been received from Sky UK Plc ("Sky") in respect of amounts owed to the Company for its share of revenue generated in November 2019 and up to the date of our appointment. The final balance was subject to set-off of any outstanding invoices payable by the Company to Sky.

#### Cash at Bank

A residual amount of £5 has been received from the Company's pre-appointment bank account held with Barclays Bank Plc ("Barclays").

#### Bank Interest Gross

An amount of £18 has been received in respect of interest earned on funds held in the estate bank account ("the Estate Account") held with Barclays.

### PAYMENTS

#### **Liquidators' Fees and Expenses**

Amounts of £54.8K and £379 have been paid to Begbies on account of our fees and expenses, respectively, for acting as Liquidators. Our fees and expenses are dealt with in more detail in Section 6 and Section 7 of this report.

#### Bank Charges

An amount of £26 has been paid to the Insolvency Service in respect of the banking fee due for paying over the balance of unclaimed dividends from the first distribution to unsecured creditors, to the Insolvency Service Unclaimed Dividends Account ("the ISA Account").

#### Unclaimed Dividends

As mentioned above, the Liquidators have paid the balance of unclaimed dividends from the first distribution to unsecured creditors of £6.5K to the ISA Account. Creditors who did not bank their cheques in this regard are now required to contact the Insolvency Service directly in order to be paid their dividend.

The work that has been done in the Period, why this work was necessary and 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 [www.begbies-traynorgroup.com/work-details](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 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 only. Our previous reports contain details of the work undertaken since our appointment.

Various items of general work that has been carried out in the Period that have no direct financial benefit to creditors but are either required by best practice or statute, as detail below include:

- General case administration and planning;
- Compliance with the Act, Rules and best practice; and
- Dealing with distributions, all creditors' claims and correspondence.

#### General case administration and planning

Whilst this work is of no direct financial benefit to creditors, we have been obliged to populate and maintain a virtual electronic case file, together with a hard copy (paper) Permanent File, to ensure we have a contemporaneous, accurate and complete record of how the case has been administered, including fully documenting the reasons for any decisions that materially affect the case.

#### Compliance with the Insolvency Act, Rules and best practice

In accordance with the Act, Rules and best practice guidance, we have prepared the previous progress report to creditors. We have also been obliged by best practice, where proportionate and economic to do so, to carry out compliance and strategy reviews together with bonding reviews to ensure the Company's assets are adequately bonded. Whilst these items of work are of no direct financial benefit to creditors, it is a statutory requirement that we must adhere to and it is of benefit to the creditors as it ensures that they are advised of matters arising and progress with the Liquidation.

#### Realisation of assets

Creditors will recall from our previous report that Sky was due to pay the Company the amount of £12.5K in respect of the Company's allocation of pre-appointment revenue share, which has been received in the Period. All asset realisations have now been completed and we intend to make a second and final distribution to unsecured creditors. Asset realisations are of direct financial benefit to creditors.

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

We have completed the reconciliation of unclaimed creditor dividends and have facilitated payment to the ISA Account. We have also undertaken planning in relation to the proposed second and final distribution to unsecured creditors, and have addressed creditors queries as they have arisen regarding the timing and quantum of the second distribution.

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

##### Seeking decisions of creditors

The following decision in relation to our further fees estimate was sought by way of a Decision-Making Procedure ("DMP") by correspondence:

That the Joint Liquidators' further fees estimate in the sum of £127,332 dated 6 January 2021 be approved.

On 27 January 2021, we received the requisite approval of creditors. As part of the DMP process, we invited creditors to form a Creditors' Committee ("Committee"). No creditors expressed a willingness to act as a member of a Committee and thus, none was formed.



## VAT matters

Whilst of no direct financial benefit to creditors, we have been obliged in accordance with prevailing tax legislation, and as and when appropriate to do so, to submit VAT returns to HMRC to reclaim VAT charged on costs and expenses incurred in the course of the Liquidation. In this regard the Liquidators have submitted a further VAT return on form VAT426 (following the Company's de-registration with effect from 2 April 2020, VAT remains recoverable) for the period from 2 April 2020 to 24 August 2021 in the amount of £12.9K, payment of which is awaited from HMRC.

## 5. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment were detailed in the directors' statement of affairs.

### Secured creditors

As far as we are aware, there are no secured creditors.

### Preferential creditors

Preferential creditors comprise former employees' ("Employees") claims for arrears of salary and wages up to a limit of £800, and holiday pay. The Redundancy Payments Service ("RPS"), part of the Insolvency Service, has made certain preferential payments to the employees, subject to statutory limits, from the National Insurance Fund ("NIF"). The RPS is a subrogated creditor (i.e. stands in the shoes of the Employees) for the amounts paid to them. Total preferential claims (Employees and RPS) received total circa £4.2K, and on 29 June 2020 we made the following distribution:

Claim	Distribution (£)
RPS subrogated claim for arrears of salary and holiday pay	4,202
Total	4,202

### Unsecured creditors

The Unsecureds comprise trade and connected creditors together with Employees' claims for pay in lieu of notice and redundancy. The RPS has made certain payments to the Employees, subject to statutory limits from the NIF. As above, the RPS has been paid in full in respect of their preferential claim and is also a subrogated creditor for the monies paid out in for pay in lieu of notice and redundancy. Total unsecured claims to date are £15.4M, which includes Rainham Steel Investments as the largest creditor with an unsecured claim of £12.2M in respect of loans and advances made to fund the Company's operations.

On 22 June 2020, we made a distribution to unsecured (non-preferential) creditors of 2.15 pence in the pound on the agreed claims totalling £15.4M analysed as follows:

Claim	Distribution (£)
Non-preferential Creditors	329,699
RPS subrogated claim for pay in lieu of notice and redundancy	301
Total	330,000

### Further distribution

Now that we have received the final debtor payments as explained in our previous progress report, we will shortly be in a position to declare a second and final distribution to the Unsecureds. While the timing and quantum of this distribution has yet to be confirmed, we anticipate that it will be in the region of 1 pence in the pound, bringing the total estimated dividend paid to the Unsecureds to 3 pence in the pound, as set out in the EOS at Appendix 1.

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

As explained in our previous report, the provisions relating to the Prescribed Part are not applicable in this case.

VAT Bad Debt Relief

Creditors should note that they may be eligible for VAT bad debt relief in respect of their outstanding claims, six months after the relevant invoice or payment date if later, provided the debt is written off in their books. Creditors should seek tax advice from their own professional advisors.

## 6. REMUNERATION

Remuneration

Our remuneration has been fixed by a decision of creditors on 31 December 2019 obtained via a decision making procedure ("DMP") 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 in attending to matters arising in the winding up. This was set out in the approved fees estimate ("AFE") dated 12 December 2019 in the sum of £73K, and subsequently our revised fees estimate ("RFE") in the sum of £127.3K, as approved by creditors on 27 January 2021.

We are also authorised to draw expenses (formerly referred to as 'disbursements') for services provided by our firm and/or entities within the Begbies Traynor Group in accordance with our firm's policy, an updated version of which is attached at Appendix 2 of this report.

Our time costs for the Period amount to £32.5K which represents 105 hours at an average rate of £310 per hour. Our time costs for the entire period for which we have administered the Liquidation amounts to £136.8K which represents 432 hours at an average rate of £316 per hour, of which we have drawn £127.3K resulting in unpaid time costs of £9.5K.

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

- Time Costs Analysis for the Period; and
- Begbies charging policy

Time Costs Analysis

The Time Costs Analysis for the Period 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 the analysis provides details of the work undertaken by us and our staff following our appointment only.

Further revised fees estimate

The RFE in respect of our fees (as liquidators) which set out what we believed would be incurred in the conduct of the Liquidation dated 6 January 2021 was £127.3K. However, please note that our accumulated fees to date amount to £136.8K. The further revised fees estimate ("FRFE") of total fees that will be incurred to conclusion of the Liquidation is now £147.6K and is set out at Appendix 4. This equates to an overall increase of £20.3K to the RFE, for which we are seeking the requisite approval of creditors via a DMP by correspondence.

Please note that this is an estimate only, not a fixed fee, and should our time costs be less than the amount of the FRFE we will draw only what has been incurred, subject to available funds in the Estate.

The time costs incurred/to be incurred from 6 December 2021 to the closure of the Liquidation will be principally incurred:

- Fulfilling our statutory reporting requirements in continuing to administer the Liquidation beyond its second year;
- Making CT and VAT submissions to HMRC to recover VAT monies and to obtain the requisite tax clearances in order to close the Liquidation and resign from Office; and
- Affecting the second and final dividend to the Unsecured.

Presently, the balance of funds held in the Estate is £145.8K together with a net VAT refund due of £12.9K (i.e. a total of £158.7K). Accordingly, there will be sufficient funds in the Estate to meet our requested revised fees estimate in full and allow a second and final distribution to be made to the Unsecureds resulting in a total return to the Unsecureds of 3 pence in the pound, as we previously anticipated. We do not anticipate that we will need to approach creditors for a further increase following this request, unless circumstances materially change.

#### Use of subcontractors

No subcontractors have been employed during the Period to carry out any work which could have otherwise been completed more economically by ourselves or our staff.

#### Creditors' guide to fees

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2021' ("the Guide") 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](http://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

#### Category 1 Expenses

To 5 December 2021 we have drawn expenses in the sum of £472.

#### Category 2 Expenses

No category 2 expenses have been incurred in the Period.

#### Statement of Expenses

A statement of the expenses incurred during the Period is attached at Appendix 3, along with a cumulative statement showing the total expenses incurred since the date of our appointment, together with an indication 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 £1.9K. That estimate has been exceeded primarily due to the payment of Hilco Valuation Services for the valuation of the Company's assets and the payment of Lewis Silkin for related legal fees in respect of the sale agreement and related disbursements. Save for these two amounts the total expenses incurred is in line with initial expectations.

While there will be further expenses to pay before the case concludes, these are likely to be minimal and will largely relate to postage, stationary, and the future storage (and destruction) of the Company's books and records, further details of which are set out in the revised estimate of expenses at Appendix 3.

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

Assets that remain to be realised

All amounts due from the Company's debtors have now been received and there are no further assets to be realised.

The work that remains to be done, thy this is necessary and the financial benefit (if any) it will provide to creditors

### General case administration and planning

As mentioned above, we must ensure that our case files are maintained so as to have an accurate, contemporaneous and complete record to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case. We are also obliged to carry out regular compliance reviews of the case in order to ensure that matters are being progressed in an efficient and timely manner.

### Compliance with the Insolvency Act, Rules and best practice

As set out in Section 4, above, the Act and Rules require us to produce regular progress reports to creditors. We have been, and will be, obliged to deal with the following:

- Prepare an annual progress report of the Liquidation to apprise creditors of the progress of the Liquidation including asset realisations, costs and expenses incurred and the prospects of a return, if any, to each class of creditors; and
- Once we are satisfied that all outstanding matter have been dealt with in the Liquidation, including any distribution to creditors, we will then prepare our final draft report to creditors on the progress of the Liquidation prior to resigning from office and receiving our release.

As mentioned above, we are obliged by best practice to carry out regular (every six months) compliance case and strategy reviews, bank reconciliations as and when appropriate and bonding reviews. Whilst these items are of no direct financial benefit to creditors, they are nevertheless a statutory and/or regulatory compliance requirement.

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

The Liquidators will be obliged to continue to address any correspondence and communications from creditors. Further, there will be a second and final interim distribution to the Unsecureds. The timing and quantum are yet to be confirmed, however, creditors will be issued with a notice of intended dividend within two months of the distribution to allow for any creditors who are yet to submit their claims to do so.

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

Seeking Decisions from Creditors

In conjunction with this report, we are seeking the requisite approval of creditors (via a DMP) to our FRFE and to the Liquidators' updated anticipated schedule of expenses, to address the matter of our outstanding and anticipated future costs.

## Tax Matters

As mentioned above, we are obliged to comply with all prevailing tax legislation which will include submitting tax computations in respect of any capital gains and/or taxable income arising for each corporation tax accounting period. Where these are particularly complex and/or technical, we may be obliged to employ a tax advisor for this purpose. Moreover, as and when appropriate to do so, we will submit VAT returns to HMRC to recover VAT charges on costs and expenses incurred in the course of the Liquidation. Whilst these items of work are of no direct financial benefit to creditors, they are nevertheless a statutory and/or regulatory compliance requirement.

## The cost of this further work

As explained in Section 6 and set out in our FRFE at Appendix 4, we anticipate that further time costs in the region of £10K will be incurred to the conclusion of the Liquidation. Please note that time costs incurred in excess of the proposed FRFE will be written off by this firm as irrecoverable.

## Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above, will primarily consist of storage/archiving costs and postage. This is dealt with in detail at Appendix 3.

## The anticipated payment for administering the case in full

Our previous estimates indicated that the cost of administering the case would be in the region of £127.3K, and subsequently you have provided approval for us to draw our remuneration up to that level. However, at this stage in the liquidation we estimate that total time costs will be in the region of £147.6K, which accords with what we anticipate our remuneration to be.

# 9. OTHER RELEVANT INFORMATION

## Connected party transactions

Details of the sale of Company assets to connected parties were provided in our previous progress report.

## 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 [www.begbies-traynorgroup.com/privacy-notice](http://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.

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 are excessive or, the basis fixed for our remuneration is inappropriate.

## 11. CONCLUSION

As explained above, we are seeking the approval of creditors by way of a DMP to our further revised fees estimate and the relevant Notice of the decisions being sought, together with a voting form, have been sent separately to creditors. Please ensure that your completed, signed voting form is returned to Chloe Henshaw and Conal McPhillips by email to [chloe.henshaw@btguk.com](mailto:chloe.henshaw@btguk.com) and [conal.mcphillips@btguk.com](mailto:conal.mcphillips@btguk.com) by no later than 23:59 on 30 December 2021 or your vote will not be valid and will not be counted. Alternatively, voting forms may be posted for the attention of Ms Henshaw and Mr McPhillips to Begbies Traynor (London) LLP, 31<sup>st</sup> Floor, 40 Bank Street, London, E14 5NR.

Once the Liquidators have made their final CT and VAT submissions to HMRC we will be in a position to declare a second and final distribution to the Unsecureds, following formal notice of the same. We will be obliged to provide a period of time to enable creditors to present their dividend cheques before paying any unclaimed dividends to the ISA Account.

While the Liquidators are also obliged to report to creditors within two months of every 12 month anniversary of their appointment, we anticipate that the administration of the Liquidation will be complete prior to the next 12 month anniversary, in which case we will issue our draft final report at the conclusion of the Liquidation.



Kirstie Jane Provan  
Joint Liquidator

Dated: 9 December 2021

# ACCOUNT OF RECEIPTS AND PAYMENTS INCORPORATING THE ESTIMATED OUTCOME STATEMENT

Period: 6 December 2020 to 5 December 2021 and cumulatively from 6 December 2019 to 5 December 2021

	Receipts/(Payments) 06.12.19 - 05.12.20	Receipts/(Payments) 06.12.20 - 05.12.21	Receipts/(Payments) 06.12.19 - 05.12.21	Estimated future Receipts/(Payments)	Estimated Final Outcome
	£	£	£	£	£
Realisations					
Intangible Assets	350,000.00	-	350,000.00	-	350,000.00
Computer Equipment	-	-	-	-	-
Book Debts	110,583.07	12,494.00	123,077.07	-	123,077.07
Cash at Bank	313,138.45	5.14	313,143.59	-	313,143.59
Bank Interest Gross	67.53	17.90	85.43	-	85.43
Petty Cash	28.53	-	28.53	-	28.53
	<u>773,817.58</u>	<u>12,517.04</u>	<u>786,334.62</u>	<u>-</u>	<u>786,334.62</u>
Costs of Realisations					
Liquidators' Fees	(72,500.00)	(54,832.00)	(127,332.00)	(20,000.00)	(147,332.00)
Liquidators' Expenses	(370.82)	(378.78)	(749.60)	(350.00)	(1,099.60)
Postage	-	-	-	(75.00)	(75.00)
Pre Appointment Fees	(16,155.00)	-	(16,155.00)	-	(16,155.00)
Post appointment income due to purchaser	(81,810.96)	-	(81,810.96)	-	(81,810.96)
Agents/Valuer Fees	(52,500.00)	-	(52,500.00)	-	(52,500.00)
Agents/Valuer Disbursements	(551.26)	-	(551.26)	-	(551.26)
Legal Fees	(14,047.50)	-	(14,047.50)	-	(14,047.50)
Statutory Advertising	(262.44)	-	(262.44)	-	(262.44)
Bank charges	-	(25.75)	(25.75)	(50.00)	(75.75)
Unclaimed dividends	-	(6,503.23)	(6,503.23)	Uncertain	(6,503.23)
	<u>(238,197.98)</u>	<u>(61,739.76)</u>	<u>(299,937.74)</u>	<u>(20,475.00)</u>	<u>(320,412.74)</u>
Available for preferential creditors	<u>535,619.60</u>	<u>(49,222.72)</u>	<u>486,396.88</u>	<u>(20,475.00)</u>	<u>465,921.88</u>
Paid to preferential creditors (100p/£)	(4,202.02)	-	(4,202.02)	-	(4,202.02)
Available for Unsecured creditors	<u>531,417.58</u>	<u>(49,222.72)</u>	<u>482,194.86</u>	<u>(20,475.00)</u>	<u>461,719.86</u>
Trade creditors	(329,699.34)	6,503.23	(323,196.11)	(138,223.09)	(461,419.20)
Paid /anticipated to unsecured creditors (incl RPO)	(300.66)	-	(300.66)	-	(300.66)
Balance remaining	<u>201,417.58</u>	<u>(42,719.49)</u>	<u>158,698.09</u>	<u>(158,698.09)</u>	<u>0.00</u>
				Est. total unsecured creditors (£)	15,126,971.37
				Est. final total dividend rate (p/£)	0.03

## LIQUIDATORS' TIME COSTS

- A. Begbies charging policy;
- B. Time Costs Analysis for the Period; and
- C. Cumulative Time Costs Analysis for the period from 6 December 2019 to 5 December 2021.



## A. BEGBIES 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 fees 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.

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 £150 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 costs of insurance cover 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 expense:

- ☐ 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 office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour) 1 March 2019 – until further notice
Consultant/Partner	645
Director	515
Senior Manager	440
Manager	410
Assistant Manager	315
Senior Administrator	290
Administrator	220
Trainee Administrator	160
Support	160

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.

## B. TIME COSTS ANALYSIS FOR THE PERIOD

SIP9 Boxing Channel Media Ltd - Creditors Voluntary Liquidation - 01BO515.CVL : Time Costs Analysis From 06/12/2020 To 05/12/2021													
Staff Grade		Consultant/Partner	Director	Sr Mngr	Mngr	Asst Mngr	Sr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning		0.1	18	13			0.1	4.7		8.0	2,80.50	268.1
	Administration	18	0.1					10.9	13		34.1	3,818.50	270.82
	Total for General Case Administration and Planning	18	0.2	1.6	1.3			11.0	6.0		22.1	5,969.00	270.69
Compliance with the Insolvency Act, Rules and best practice	Appointment												0.00
	Banking and Bonding	0.9	0.4	0.4	18				0.2	10.0	13.7	3,332.50	243.25
	Case Closure			16				2.9			4.5	1,342.00	298.22
	Statutory reporting and statement of affairs	3.7		5.8	15.5			8.6			43.6	15,395.50	352.88
	Total for Compliance with the Insolvency Act, Rules and best practice	4.6	0.4	7.8	17.3			21.5	0.2	10.0	61.8	20,060.00	324.60
Investigations	CDDA and investigations												0.00
	Total for Investigations:												0.00
Realisation of assets	Debt collection							0.8			0.8	876.00	220.00
	Property, business and asset sales												0.00
	Retention of Title/Third party assets												0.00
	Total for Realisation of assets:							0.8			0.8	176.00	220.00
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others	0.8		3.8	0.3			7.5			12.4	3,961.00	319.44
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	0.8		3.8	0.3			7.5			12.4	3,961.00	319.44
	Other matters which includes meetings, tax, litigation, pensions and travel				0.4			2.4			2.8	692.00	247.14
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors												0.00
	Meetings												0.00
	Other												0.00
	Tax	0.6	0.3	0.9				3.2			5.0	1,641.50	328.30
	Litigation												0.00
	Total for Other matters:	0.6	0.3	0.9	0.4			5.6			7.8	2,333.50	299.17
	Total hours by staff grade:	7.8	0.9	34.3	19.3			46.4	6.2	10.0	124.9		
	Total time cost by staff grade £:	5,031.00	463.50	6,293.00	7,913.00			30,208.00	992.00	1,600.00	27,499.50		
	Average hourly rate £:	645.00	525.00	440.00	410.00	0.00	0.00	220.00	260.00	260.00			305.81

### C. CUMULATIVE TIME COSTS ANALYSIS FOR THE PERIOD FROM 6 DECEMBER 2019 TO 5 DECEMBER 2021

SIP9 Boxing Channel Media Ltd - Creditors Voluntary Liquidation - 01B0515.CVL : Time Costs Analysis From 06/12/2019 To 05/12/2021														
Staff Grade		Consultant/Partner	Director	Sr Mngr	Mngr	Asst Mngr	Sr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £	
General Case Administration and Planning	Case planning		9.8	18	5.9		4.4	0.4	212		43.5	1090.00	299.7	
	Administration	5.6	11		6.3	2.1	6.4	18.8	2.2	3.5	57.0	8,384.50	283.94	
	Total for General Case Administration and Planning	5.6	10.9	1.8	12.2	2.1	10.8	19.2	34.4	3.5	300.5	29,398.50	290.53	
Compliance with the Insolvency Act, Rules and best practice	Appointment	0.8			6.2						8.0	3,349.00	418.50	
	Banking and Bonding	15	19	0.4	5.7		5.1		34.4	216	45.6	10,248.00	224.74	
	Case Closure			16				2.9			4.8	1,342.00	280.22	
	Statutory reporting and statement of affairs	4.0	0.3	5.8	16.6		16.6		11		47.3	6,941.00	358.3	
	Total for Compliance with the Insolvency Act, Rules and best practice	7.2	2.2	7.8	28.5		11	21.0	15.5	216	305.4	31,876.00	302.46	
Investigations	GDPR and Investigations	4.0	0.8		0.7		0.5		5.4		21.4	5,888.00	275.14	
	Total for Investigations:	4.0	0.8		0.7		0.5		5.4		21.4	5,888.00	275.14	
Realisation of assets	Debt collection	16	15		3.3		12	2.3	5.0		46.9	4,811.50	323.62	
	Property business and asset sales	14.3	20.9		0.6		25.3		3.6		64.7	28,386.00	435.02	
	Retention of Title/Third party assets												0.00	
	Total for Realisation of assets:	15.9	22.4		3.9		28.5	2.3	8.6		79.6	32,957.50	434.04	
Tracing	Tracing												0.00	
	Total for Tracing:												0.00	
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00	
	Others	7.6	0.8	3.8	13.4		8.4	12.3	28.9		75.2	22,246.00	295.82	
	Creditors committee												0.00	
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	7.6	0.8	3.8	13.4		8.4	12.3	28.9		75.2	22,246.00	295.82	
	Seeking decisions of creditors				10.6			7.7	12		8.5	6,232.00	38.59	
Other matters which includes meetings, tax, litigation, pensions and travel	Meetings							4.8			4.8	768.00	80.00	
	Other							3.7			3.7	592.00	80.00	
	Tax	2.1	3.1	0.9	3.6			32	9.4		22.3	7,032.00	38.29	
	Litigation												0.00	
	Total for Other matters:	2.1	3.1	0.9	14.2			50.9	19.1		50.3	14,623.00	290.72	
	Total hours by staff grade	42.4	40.2	14.3	72.9	2.1	47.3	66.2	121.9		25.1	432.4		
	Total time cost by staff grade £:	27,445.50	20,703.00	6,292.00	29,889.00	661.50	31,717.00	14,564.00	19,504.00	4,016.00		136,792.00		
Average hourly rate £:		647.30	515.00	440.00	410.00	315.00	290.00	220.00	350.00	160.00			315.35	
Total fees drawn to date £:												127,332.00		

## 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				
Storage	Restore	205.02	53.76	151.26
Bank Charges	Insolvency Service	25.75	25.75	NIL
Total		230.77	79.51	151.26

## CUMULATIVE STATEMENT OF EXPENSES INCLUDING FUTURE ANTICIPATED EXPENSES

Type of expense	Name of party with whom expense incurred	Initial estimate (£)	Amount incurred 06.12.19 - 05.12.21 (£)	Amount discharged 06.12.19 - 05.12.21 (£)	Balance (to be discharged) (£)	Estimated future (£)	Estimated total (£)
Expenses incurred with entities not within the Begbies Traynor Group							
Advertisements	Courts Advertising	260.00	262.44	262.44	NIL	NIL	262.44
Postage & Stationery	Royal Mail	100.00	61.14	61.14	NIL	75.00	136.14
Travel	Black cab, TFL, Uber	75.00	22.46	22.46	NIL	NIL	22.46
Bond	Insolvency Risk Services	264.00	252.00	252.00	NIL	NIL	252.00
Open Cover Insurance		500.00	NIL	NIL	NIL	NIL	NIL
Storage Costs (incl destruction)	Restore	300.00	284.70	133.44	151.26	350.00	634.70
Legal Fees & Disbursements	Lewis Silkin LLP	Uncertain	14,047.50	14,047.50	NIL	NIL	14,047.50
Bank Charges	Insolvency Service	250.00	25.75	25.75	NIL	50.00	75.75
Investigation Expenses		Uncertain	NIL	NIL	NIL	NIL	NIL
Room Hire		150.00	NIL	NIL	NIL	NIL	NIL
Subsistence	Starbucks	Not stated	2.58	2.58	NIL	NIL	2.58
Agents/valuer Fees	Hilco Valuation Services	Not stated	53,051.26	53,051.26	NIL	NIL	53,051.26
Post appointment income due to purchaser	Queensbury Commerical Ltd	Not stated	81,810.96	81,810.96	NIL	NIL	81,810.96
Total		1,899.00	149,820.79	149,669.53	151.26	475.00	150,295.79

Dated: 9 December 2021

## FURTHER REVISED FEES ESTIMATE

Further to the information set out in the report, the Liquidators anticipate that in addition to their revised fees estimate approved by creditors on 27 January 2021 in the sum of £2127.3K the following further fees will be incurred to conclusion of the Liquidation. Please note that blended hourly rates have been used (as they were for the original and revised fees estimates) which take account of the various levels of staff that are likely to undertake each area of work. These can be seen in the average hourly rate column. Details of the hourly rates that will be charged for each level of staff working on the case can be found at Appendix 2.

	Total hours to 05.12.21	Total time cost to 05.12.21 (£)	Average hourly rate (£)	Total est. future hours to case closure	Total est. future time costs to case closure	Average hourly rate (£)	Est. total hours to case closure	Est. total time costs to case closure	Average hourly rate (£)
General case administration and planning	100.5	29,101.00	289.56	6.0	2,405.00	400.83	106.5	31,506.00	295.83
Compliance with the Insolvency Act, Rules and best practice	105.4	31,879.00	302.46	8.0	3,065.00	383.13	113.4	34,944.00	308.15
Investigations	21.4	5,888.00	275.14	-	-	-	21.4	5,888.00	275.14
Realisation of assets	79.6	32,957.50	414.04	-	-	-	79.6	32,957.50	414.04
Trading	-	-	-	-	-	-	-	-	-
Dealing with all creditors' claims (including employees), correspondence and distributions	75.2	22,246.00	295.82	11.0	3,385.00	307.73	86.2	25,631.00	297.34
Other matters incl. seeking decisions of creditors, meetings, tax, litigation, pensions and travel	50.3	14,623.00	290.72	6.0	1,980.00	330.00	56.3	16,603.00	294.90
Total hours by staff grade	432.4			31.0			463.4		
Total time cost by staff grade (£)		136,694.50			10,835.00			147,529.50	
Average hourly rate (£)			316.13			349.52			318.36

Please refer back to the body of the report at Section 6 and Section 8 for a more detailed explanation of the future work to be carried out and why this addition to our remuneration is being sought.

A more detailed explanation of the work that falls into the categories mentioned in the table above can be obtained from our website at [www.begbies-traynorgroup.com/work-details](http://www.begbies-traynorgroup.com/work-details).

We have arrived at this increase by considering the nature and complexity of the work that is necessary to conclude the case, and we also believe that this increase is a fair and reasonable reflection of the same.

Dated: 9 December 2021