

Our Ref DAI/CGJ/RZW/CES/C01821/7

To the creditors and members

26 November 2014

Dear Sirs

Recovery and Reorganisation

Grant Thornton UK LLP
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C and W Pictures Limited - In Liquidation ("the Company") High Court of Justice No 4426 of 2013

1 Introduction

1.1 Following my appointment as liquidator of the above company on 6 November 2013, in accordance with rule 4.49B of the Insolvency Rules 1986 I now report on the progress of the liquidation for the year ended 5 November 2014 and attach

- Appendix A, an account of our receipts and payments for the year ended 5 November 2014
- Appendix B, a statement of the remuneration charged by the liquidator in the period 6 November 2013 to 5 November 2014 and a statement of expenses incurred in the period
- Appendix C, an analysis of time costs as required by Statement of Insolvency Practice 9
- Appendix D, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the liquidator (rule 4.49E)
- Appendix E, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the liquidator's remuneration or expenses if excessive (rule 4.131)

1.2 David A Ingram is authorised by the Insolvency Practitioners Association to act as an insolvency practitioner

2 Statutory information

2.1 The company's statutory details are as follows

Registered number 07577762

Registered office 4 Hardman Square, Spinningfields,
Manchester, M3 3EB



3 Progress report

3.1 According to the Official Receiver's report to creditors dated 25 October 2013, the Company had no known assets with realisable value at the date of liquidation

3.2 Following my appointment as liquidator, I identified that the Police had restrained Company monies under the Proceeds of Crime Act. However, I have been advised that it is unlikely that these monies will be released back to the Company

Chartered Accountants

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- 3 3 Following an investigation into the affairs of the Company by Company Investigations (formerly the Companies Investigations Branch), a petition to wind up the Company in the public interest was presented on 21 June 2013. A winding up order was subsequently made on 4 September 2013.
- 3 4 To date the Company's sole director has failed to provide me with any books and records or adequate accounting records. I have obtained and undertaken a detailed review of the documentation used to support the winding up petition presented by Company Investigations, as well as the Company's bank statements and information requested from creditors of the Company.
- 3 5 From the above investigations, I have identified possible claims and have instructed legal advisers to advise on the merits of claim.
- 3 6 There are no preferential creditors in this matter.
- 3 7 I have received unsecured claims totalling £172,705.64.
- 3 8 Unfortunately, there are insufficient funds available at present for a distribution to be made to creditors.

4 Liquidator's remuneration and expenses

- 4 1 On 20 December 2013 the creditors resolved that I draw my remuneration by reference to the following resolution:

That the remuneration of the liquidator, David Ingram of Grant Thornton UK LLP, be calculated according to the time properly spent by the liquidator and his staff in attending to matters arising in the liquidation at rates notified to creditors periodically, subject to 50% success fee to reflect the contingent nature of realisations

- 4 2 You will note from the SIP 9 table attached at Appendix C that my time costs to date are £29,154.10 and from the receipts and payments account attached at Appendix A, that I have drawn no remuneration.
- 4 3 Time is charged in units of 6 minutes. Background information regarding the fees of liquidators can be found at <http://www.insolvency-practitioners.org.uk> (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees'). Alternatively I will supply this information by post on request.
- 4 4 The day-to-day conduct of the liquidation is under the control of partners and staff of Grant Thornton UK LLP. The routine administration of the case is at the level of administrator, who is responsible to a manager who is experienced in insolvency matters and, together with the appointed partner who is licensed to act as an insolvency practitioner, deal with technical or complex matters as they arise. The extent to which time is incurred by managers and partners depends on issues that arise as our investigations continue. Details of the hourly rates are made available to creditors at the time of fixing the basis of our fees. Personnel carrying out the Treasury, secretarial and filing functions are charged separately to professional staff on the case based, again, on time incurred. The charge out rates and those

of my staff who have worked and are expected to continue to work on the case are currently as follows -

	From 1 July 2014	From 1 July 2013
	£ per hour	£ per hour
Partner/Director	470 - 615	455 - 600
Manager	290 - 470	280 - 455
Other senior professional	240 - 305	230 - 295
Administrators	160 - 230	155 - 220
Assistants and support staff	145 - 170	150 - 175

5 Other expenses incurred by the liquidator

5.1 As set out in Appendix B, no expenses have been drawn at this stage

Yours faithfully
for and on behalf of C and W Pictures Limited



David Ingram
Liquidator

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A Abstract of the liquidator's receipts and payments from 6 November 2013 to 5 November 2014

Receipts	Total (£)
OR Balance Transferred	1,165 00
	<hr/>
	1,165 00
	<hr/>
Payments	
OR Balance Transferred	2,235 00
ISA Account Fees	88 00
	<hr/>
	2 323 00
	<hr/>
Balance - 5 November 2014	<hr/>
	(1,158 00)
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B Remuneration charged and expenses incurred by the liquidator in the period

	Charged/incurred in period 06/11/2013 to 05/11/2014	Of which paid to 05/11/2014
	£	£
Liquidator's fees	29,154 10	Nil
Time costs		
Expenses		
Bonding	10 00	Nil
Subsistence	5 62	Nil
Statutory Advertising	101 52	Nil
Land Registry	44 00	Nil

C SIP 9 information

Standard	Partner			Manager			Executive			Administrator			Total		
	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate
Administration and Planning	6	380	600	3 65	1,451 5	397 67	14 53	4,081 1	280 87	18	2,765	153 61	36 78	8,657 6	235 39
Creditors							3 5	987	282	5 5	862	156 73	9	1,849	205 44
Hiatus period															
Investigations	5	307 5	615				49 75	14,210	285 63	25 6	3,995 5	156 07	75 85	18,513	244 07
Realisation of Assets Trading							3	84	280	1	15 5	155	4	99 5	248 75
Unclassified										2	35	175	2	35	175
Total	11	687 5	606 82	3 65	1,451 5	397 67	68 08	19,362 1	284 4	49 4	7,673	155 32	122 23	29,154 1	238 52

Administration & Planning	Includes, case planning, statutory obligations (e.g. statutory returns), maintenance of cash and estate records, general correspondence, dealing with tax correspondence
Investigations	Includes, Investigation into the Company's affairs and assets that may have been held prior to liquidation
Realisation of Assets	Includes, realisation of assets, dealing with Solicitors and liaising with our agents
Creditors	Includes, correspondence with unsecured creditors

D An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the liquidator

Rule 4 49E edited for application to a progress report in a winding-up by the court

- (1) If
 - (a) within the period mentioned in paragraph (2)
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (b) with the permission of the court upon an application made within the period mentioned in paragraph (2), any unsecured creditor makes a request in writing to the liquidator for further information about remuneration or expenses set out in the progress report, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of a matter which was previously included in a progress report
- (2) The period referred to in paragraph (1)(a) is 21 days of receipt of the progress report
- (3) The liquidator complies with this paragraph by either -
 - (a) providing all of the information asked for, or
 - (b) so far as the liquidator considers that
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
 - (iii) the liquidator is subject to an obligation of confidentiality in respect of the information,
 giving reasons for not providing all of the information
- (4) Any creditor, who need not be the same as the creditor who requested further information, may apply to the court within 21 days of -
 - (a) the giving by the liquidator of reasons for not providing all of the information asked for, or
 - (b) the expiry of the 14 days provided for in paragraph (1),
 and the court may make such order as it thinks just
- (5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 4 131(1B) by such further period as the court thinks just
- (6) This Rule does not apply where the liquidator is the Official Receiver

E An extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the liquidator's remuneration or expenses if excessive

Rule 4 131

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
- (1A) Application by a creditor may be made on the grounds that -
 - (a) the remuneration charged by the liquidator,
 - (b) the basis fixed for the liquidator's remuneration under Rule 4 127, or
 - (c) expenses incurred by the liquidator,
 is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice, but which is without notice to any other party
If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
 - (a) an order reducing the amount of remuneration which the liquidator was entitled to charge
 - (b) an order fixing the basis of remuneration at a reduced rate or amount
 - (c) an order changing the basis of remuneration
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation
 - (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify
 and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the liquidation