

LIQ03

Notice of progress report in voluntary winding up



Companies House

TUESDAY




A14 *A96E28DL*
02/06/2020
COMPANIES HOUSE #94

1	Company details	
Company number	0 8 8 5 7 7 3 5	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Eclipse Digital Limited	
	Formerly DIG DNA Limited	
2	Liquidator's name	
Full forename(s)	Alex	
Surname	Cadwallader	
3	Liquidator's address	
Building name/number	Leonard Curtis	
Street	5th Floor	
	Grove House	
Post town	248a Marylebone Road	
County/Region	London	
Postcode	N W 1 6 B B	
Country		
4	Liquidator's name ①	
Full forename(s)	Neil	① Other liquidator Use this section to tell us about another liquidator.
Surname	Bennett	
5	Liquidator's address ②	
Building name/number	Leonard Curtis	② Other liquidator Use this section to tell us about another liquidator.
Street	5th Floor	
	Grove House	
Post town	248a Marylebone Road	
County/Region	London	
Postcode	N W 1 6 B B	
Country		

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	d	1	e	2	m	0	n	4	y	2	y	0	y	1	9	
To date	d	1	e	1	m	0	n	4	y	2	y	0	y	2	0	
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>X  X</div>															
Signature date	d	0	e	1	m	0	n	6	y	2	y	0	y	2	0	

LIQ03

Notice of progress report in voluntary winding up



Presenter information

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

Contact name **Sam Bellamy**

Company name **Leonard Curtis**

Address **5th Floor**

Grove House

248a Marylebone Road

Post town **London**

County/Region

Postcode **N W 1 6 B B**

Country

DX

Telephone **020 7535 7000**



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



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**Eclipse Digital Limited
(In Creditors' Voluntary Liquidation)**

Company Number: 08857735

Former Registered Office: 57-61 Charterhouse Street, London EC1M 6HA

Former Trading Address: 57-61 Charterhouse Street, London EC1M 6HA

**Joint Liquidators' Fourth Progress Report
pursuant to Section 104A(1) of the Insolvency Act 1986 (as amended)
and Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

**Report period
12 April 2019 to 11 April 2020**

1 June 2020

Alex Cadwallader and Neil Bennett - Joint Liquidators

Leonard Curtis

5th Floor, Grove House, 248a Marylebone Road

London NW1 6BB

Tel: 020 7535 7000 Fax: 020 7723 6059

creditors@leonardcurtis.co.uk

Ref: L/30/SB/DIG07/1010

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TO ALL MEMBERS, CREDITORS AND THE REGISTRAR OF COMPANIES

1 INTRODUCTION

- 1.1 Alex Cadwallader and Neil Bennett were appointed Joint Liquidators of Eclipse Digital Limited ("the Company") on 12 April 2016.
- 1.2 Alex Cadwallader is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales under office holder number 9501 and Neil Bennett is authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners Association under office holder number 9083.
- 1.3 There has been no change in office holder since the date of liquidation.
- 1.4 This report provides an update on the conduct of the Liquidation for the period from 12 April 2019 to 11 April 2020, as required by Section 104A(1) of the Insolvency Act 1986 (as amended) ("the Act") and Rule 18.3 of the Insolvency (England and Wales) Rules 2016 ("the Rules"). It contains details of the progress made, the expected outcome for creditors and other information that the Joint Liquidators are required to disclose, and should be read in conjunction with the previous progress report dated 24 May 2019.

2 CONDUCT OF THE LIQUIDATION

- 2.1 The Company's registered office was changed to Leonard Curtis, 5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB on 25 April 2016.

Assets Realised

2.2 Office Furniture and Equipment and Goodwill

- 2.2.1 As previously advised, following the Joint Liquidators' appointment, an offer was received on 12 April 2016 from Fascinate Ltd ("Fascinate") for the tangible assets and goodwill of the business. The offer was for 2.5% of turnover for the first twelve months, capped at £1million of turnover, and payable quarterly in arrears subject to an initial upfront non-refundable payment of £9,000 plus VAT.
- 2.2.2 Fascinate's accounts for the period ended 31 March 2017 showed that additional deferred consideration of £10,546 was payable to the Company under the terms of the sale, as mentioned above. Fascinate put forward a proposal to pay £500 per month from January 2018 to June 2018 with the remaining balance to be paid in full in July 2018.
- 2.2.3 Deferred consideration of £3,000 has been received to date leaving a balance of £7,545.63 outstanding.
- 2.2.4 Fascinate was placed into Administration on 5 November 2018 and subsequently into Creditors' Voluntary Liquidation on 1 November 2019. Based on information presently available, it is likely that a small distribution will be paid to the unsecured creditors of Fascinate and a further updates will be provided in respect of the anticipated quantum of this return in due course.

2.3 Directors' Loan Accounts

- 2.3.1 The statement of affairs showed directors' loan accounts of £52,372; £4,934 owed by Rob Gray and £47,438 owed by Mads Holst.
- 2.3.2 Rob Gray has settled his loan account in full.

Eclipse Digital Limited – In Creditors' Voluntary Liquidation

- 2.3.3 Mr Holst proposed a full and final settlement of £25,000 in respect of his loan account. Following a review of his assets and liabilities and income and expenses statements this offer was accepted on the basis that Mr Holst had insufficient assets to discharge this liability in full and petitioning for Mr Holst's bankruptcy was anticipated to result in a lesser recovery than would be achieved under this settlement.
- 2.3.4 It was agreed that the £25,000 could be repaid over a 15 month period ending in September 2017. As previously reported, the Joint Liquidators have received repayments totalling £24,165 to date leaving a balance of £835 which remains unpaid.
- 2.3.5 We are continuing to pursue the remaining balance of £835 due by Mr Holst and will provide creditors with a further update in this regard in due course.

2.4 Intercompany Debt - Digital Innovation Group Ltd

- 2.4.1 The statement of affairs showed an intercompany loan of £25,620 being owed to the Company by Digital Innovation Group Ltd, now named Rob Gray Associates Limited ("Rob Gray Associates"). Following a reconciliation of the loan account carried out following the liquidation it transpired that the amount owed was actually £40,755.
- 2.4.2 Rob Gray Associates subsequently agreed that this greater amount was due and proposed a full and final settlement of £18,000. Following receipt of this offer the Joint Liquidators carried out a review of Rob Gray Associates' financial position to confirm whether this offer represented a better outcome than pursuing a recovery action against Rob Gray Associates.
- 2.4.3 It was subsequently confirmed that the settlement offer proposed represented the best outcome for the liquidation and the Joint Liquidators agreed to this settlement, and that the £18,000 could be repaid over 6 months starting in November 2018. To date, we have received a single payment of £3,000 and £15,000 remains unpaid.
- 2.4.4 The financial position of Rob Gray Associates has continually deteriorated since the acceptance of the proposed settlement offer and, whilst we are continuing to pursue the outstanding settlement balance, it is currently uncertain as to whether any further recoveries will be achieved.

Assets Still to be Realised

- 2.5 The following assets are still to be realised:

	Received to date	Outstanding
Description	£	£
Fascinate Dividend	-	Uncertain
Director's Loan Account – Mads Holst	24,165	835
Rob Gray Associates	3,000	15,000
	<u>27,165</u>	<u>15,835</u>

3 RECEIPTS AND PAYMENTS ACCOUNT

- 3.1 A summary of the Joint Liquidators' receipts and payments for the entire period of the liquidation, including the period from 12 April 2019 to 11 April 2020, is attached at Appendix A.
- 3.2 All figures are stated net of VAT.

4 OUTCOME FOR CREDITORS

Secured Creditors

- 4.1 There are no secured creditors in the liquidation.

Preferential Creditors

- 4.2 As at the date of liquidation, no preferential claims were anticipated.
- 4.3 No such claims have been received.

Prescribed Part

- 4.4 There are no holders of floating charges over the assets of the Company. As a result there will not be a need for the prescribed part of the Company's net property to be set aside for ordinary unsecured creditors pursuant to the provisions of Section 176A of the Act and the Insolvency Act 1986 (Prescribed Part) Order 2003 or for the Joint Liquidators to make any application to Court pursuant to Section 176(A)(5) of the Act.

Ordinary Unsecured Creditors

- 4.5 As at the date of liquidation, there were 8 ordinary unsecured creditors, with estimated claims totalling £396,060.
- 4.6 The table below illustrates the position regarding the claims of the ordinary unsecured creditors:

	As at Date of Liquidation	Claims Received
	£	£
Trade and Expense	9,536	1,194
HMRC (VAT)	127,487	223,540
HMRC (PAYE/NIC/CT)	187,958	193,610
Director's Loan	7,199	7,199
DIG London Limited	63,880	63,880
	396,060	489,423

- 4.7 There are insufficient funds to declare a dividend at this time.
- 4.8 If you have not already done so, please submit details of your claim, by completing and returning the proof of debt, attached at Appendix F, to this office. Please include documentation to support your claim.

5 INVESTIGATIONS

- 5.1 Following their appointment, the Joint Liquidators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.
- 5.2 As previously advised, our investigations are currently ongoing and may lead to substantial recoveries for the benefit of creditors. Specific details cannot be provided to creditors at this stage in the event that disclosure compromises the claims being made.
- 5.3 Notwithstanding the above, the Joint Liquidators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

6 JOINT LIQUIDATORS' REMUNERATION, EXPENSES AND DISBURSEMENTS, AND CREDITORS' RIGHTS

Remuneration

- 6.1 A fee of £7,000 plus VAT in respect of the preparation of the statement of affairs was approved by creditors on 12 April 2016. This fee has been paid in full.
- 6.2 On 6 May 2016, creditors resolved by way of business by correspondence, that the Joint Liquidators' remuneration be payable by reference to time properly given by them and their staff in attending to matters arising in the liquidation as set out in the Fees Estimate dated 13 April 2016 (for an amount totalling £19,119). In our progress report dated 7 June 2017, the Joint Liquidators convened a decision procedure by correspondence for creditors to approve a revised Fees Estimate for £35,821. No votes were received and therefore no decision was made.
- 6.3 In our previous report dated 23 May 2018, a further Revised Fees Estimate of £43,399.50 was issued and was approved by creditors on 13 June 2018.
- 6.4 The Joint Liquidators' time costs from 12 April 2019 to 11 April 2020 are £2,231.50, which represents 10.3 hours at an average hourly rate of £216.65. Attached at Appendix B is a time analysis which provides details of the activity costs incurred by staff grade during the period from 12 April 2019 to 11 April 2020, together with a detailed description of work undertaken attributable to each category of time costs and an explanation of why it was necessary for that work to be performed. Total time costs from the commencement of the liquidation amount to £47,263.50.
- 6.5 At Appendix C is a comparison of categorised time costs incurred and the estimated time costs as per the Revised Fees Estimate. You will note that total time costs incurred during the liquidation to date exceed the Revised Fees Estimate. The areas where significant variance has occurred are in respect of assets and investigations. It has taken longer than anticipated recovering the directors' loans accounts, deferred consideration and the inter-company debt, which has resulted in the liquidation exceeding 4 years. In addition, more time has been spent on investigations into the Company's affairs.
- 6.6 Whilst total time costs of £47,263.50 are in excess of the Revised Fees Estimate, it is not expected that remuneration anticipated to be drawn by the Joint Liquidators' will exceed the Revised Fees Estimate.
- 6.7 Fees totalling £28,119 have been recovered from the liquidation estate.

Expenses

- 6.6 A comparison of the Joint Liquidators' expenses from 12 April 2019 to 11 April 2020 and the Joint Liquidators' statement of likely expenses is attached at Appendix D. To assist creditors' understanding of this information, it has been separated into the following two categories:
- *Standard Expenses*: this category includes expenses payable by virtue of the nature of the liquidation process and / or payable in order to comply with legal or regulatory requirements.
 - *Case Specific Expenses*: this category includes expenses likely to be payable by the Joint Liquidators in carrying out their duties in dealing with issues arising in this particular liquidation. Included within this category are costs that are directly referable to the liquidation but are not paid to an independent third party (and which may include an element of allocated costs). These are known as 'category 2 disbursements' and they may not be drawn without creditor approval.

Disbursements

- 6.9 On 6 May 2018, creditors resolved that the Joint Liquidators be authorised to draw category 2 disbursements.

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- 6.10 You will note that, in general, the nature and value of expenses incurred to date fall within those anticipated within the original statement of expenses. However, the Joint Liquidators have had to instruct solicitors to obtain legal advice following their investigation work and costs have been incurred which were not originally anticipated.
- 6.11 Attached at Appendix E is additional information in relation to the firm's policy on staffing, the use of subcontractors, disbursements and details of current charge-out rates by staff grade.
- 6.12 During the liquidation, the following professional advisors and / or subcontractors have been used:

Name of Professional Advisor	Service Provided	Basis of Fees
ITC Valuers Limited	Valuation of Assets	Fixed Fee
Brecher Solicitors	Legal Advice	Time Costs

Creditors' Rights

- 6.13 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least five per cent in value of the unsecured creditors (including the creditor in question), or with the permission of the Court, may request in writing that the Joint Liquidators provide further information about their remuneration or expenses, which have been itemised in this report.
- 6.14 Under Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10 per cent in value of the unsecured creditors (including that creditor) or the permission of the Court, may within eight weeks of receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question, make an application to Court on the grounds that, in all the circumstances, the basis fixed for the Joint Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in the progress report, are excessive.
- 6.15 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.

7 MATTERS STILL TO BE DEALT WITH

Matters still to be dealt with before conclusion of the liquidation include the following:

- The realisation of the remaining assets, as detailed in section 2.
- The formal agreement of creditor claims should a dividend become payable.
- The unpaid remuneration and expenses will need to be paid.

8 OTHER MATTERS

- 8.1 For your information, a creditor's guide to liquidators' fees, (Version 4 – April 2017) which sets out the rights of creditors and other interested parties under the insolvency legislation, may be accessed via the following link:

<https://www.r3.org.uk/what-we-do/publications/professional/fees>

- 8.2 If you would prefer this to be sent to you in hard copy form, please contact Sam Bellamy of this office on 020 7535 7000.

- 8.3 Creditors are also encouraged to visit the following website, which provides a step by step guide designed to help creditors navigate through an insolvency process:

<http://www.creditorinsolvencyguide.co.uk>

- 8.4 The Joint Liquidators are bound by the Insolvency Code of Ethics, which can be found at:

<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

Data Protection

- 8.5 When submitting details of your claim in the liquidation, you may disclose personal data to the Joint Liquidators. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. The Joint Liquidators act as Data Controllers in respect of personal data they obtain in relation to this liquidation and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Liquidators' privacy notice, which is attached to this report at Appendix G, explains how they process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

Yours faithfully



ALEX CADWALLADER
JOINT LIQUIDATOR

Alex Cadwallader is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales under office holder number 9501 and Neil Bennett is authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners Association under office holder number 9083

SUMMARY OF JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS FROM 12 APRIL 2019 TO 11 APRIL 2020

	Estimated to realise £	Previous periods £	This period £	Cumulative £
RECEIPTS				
Balance at Bank	10	-	-	-
Office Furniture and Equipment	500	1,500.00	-	1,500.00
Debtors	5,889	-	-	-
Directors' Loan Accounts	Uncertain	29,097.69	-	29,097.69
Digital Innovation Group Ltd	Uncertain	3,000.00	-	3,000.00
	<u>6,399</u>	<u>33,597.69</u>	<u>-</u>	<u>33,597.69</u>
Goodwill		12,000.00	-	12,000.00
Deposit Interest Gross		8.68	-	8.68
		<u>45,606.37</u>	<u>-</u>	<u>45,606.37</u>
PAYMENTS				
Agents' Valuation Costs		2,500.00	-	2,500.00
Solicitors' Fees and Expenses		-	3,970.00	3,970.00
Statutory Advertising		241.65	-	241.65
Bordereau Fee		90.00	-	90.00
IT Licence Fee		87.00	-	87.00
Printing, Postage and Photocopying		26.74	-	26.74
Sundry Expenses/Disbursements		21.00	-	21.00
Cost of Creditors' Meeting		7,000.00	-	7,000.00
Joint Liquidators' Remuneration		28,119.00	-	28,119.00
		<u>38,085.39</u>	<u>3,970.00</u>	<u>42,055.39</u>
		<u>7,520.98</u>	<u>(3,970.00)</u>	<u>3,550.98</u>

APPENDIX B

SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FROM 12 APRIL 2019 TO 11 APRIL 2020

	Manager 1		Administrator 2		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	2	79.00	5	125.00	15	226.50	22	430.50	195.68
Receipts & Payments	-	-	1	25.00	14	210.00	15	235.00	156.67
Assets	14	511.00	-	-	3	45.00	17	556.00	327.06
Liabilities	-	-	-	-	2	30.00	2	30.00	150.00
General Administration	-	-	6	150.00	-	-	6	150.00	250.00
Post Appointment Creditor Reporting	10	365.00	-	-	31	465.00	41	830.00	202.44

Total	26	955.00	12	300.00	65	976.50	103	2,231.50
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Average Hourly Rate (£)	367.31	250.00	150.23	216.65
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All Units are 6 minutes

**DETAILED NARRATIVE OF WORK PERFORMED BY THE JOINT LIQUIDATORS AND THEIR STAFF IN THE
PERIOD 12 APRIL 2019 TO 11 APRIL 2020**

Statutory and Review

- Case-management reviews – quarterly reviews were carried out to ensure the case is progressing as planned.
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9.
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice.

Receipts and Payments

- Management of case bank account to ensure compliance with relevant risk management procedures.
- Preparation of periodic receipts and payments accounts for inclusion in statutory reports.
- Timely completion of all post-appointment tax and VAT returns.
- Managing estate expenses.

Assets

- Corresponding with Fascinate regarding payment of the deferred consideration.
- Corresponding with the inter-company debtor regarding payment of the loan account, agreeing repayment proposals and chasing payments.
- Corresponding with the directors regarding the repayment of the directors' loan accounts.

Liabilities

- Dealing with enquiries from the Company's creditors.

General Administration

- General planning matters.
- Maintaining the Joint Liquidators' records.
- Dealing with general correspondence and communicating with directors and shareholders.

Post-Appointment Creditor Reporting

- Preparation and submission of the Joint Liquidators' third progress report to creditors dated 24 May 2019.

**SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FOR THE PERIOD FROM 12 APRIL 2016 TO 11 APRIL 2020
INCORPORATING A COMPARISON OF THE JOINT LIQUIDATORS' FEES ESTIMATE**

	REVISED FEES ESTIMATE				INCURRED TO 11 APRIL 2020				VARIANCE
	Total		Average		Total		Average		
	Units	Cost	Units	Cost	Units	Cost	Units	Cost	
	No	£	hourly rate	£	No	£	hourly rate	£	
Statutory & Review	178	5,662.00	318.09		214	6,510.00	304.21	848.00	
Receipts & Payments	76	2,203.50	289.93		88	2,243.00	254.89	39.50	
Insurance	1	41.00	410.00		1	41.00	410.00	-	
Assets	354	13,325.50	376.43		426	15,969.00	374.86	2,643.50	
Liabilities	30	1,122.00	374.00		40	1,597.00	399.25	475.00	
General Administration	138	3,693.00	267.61		125	3,300.00	264.00	(393.00)	
Appointment	52	1,335.00	266.73		52	1,335.00	256.73	-	
Post Appointment Creditor Reporting	332	9,797.50	295.11		315	8,187.00	259.90	(1,610.50)	
Investigations	267	6,220.00	232.96		318	8,081.50	254.14	1,861.50	
Total	1,428	43,399.50	303.92		1,579	47,263.50	299.33	3,864.00	

APPENDIX D

SUMMARY OF JOINT LIQUIDATORS' EXPENSES FROM 12 APRIL 2016 TO 11 APRIL 2020 INCORPORATING A COMPARISON OF THE OF JOINT LIQUIDATORS' STATEMENT OF LIKELY EXPENSES

Standard Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
AML Checks	-	Electronic client verification	-	-	-	-	-
Bond Fee	AUA Insolvency Risk Services	Insurance bond	40.00	90.00	-	90.00	-
Company Searches	Companies House	Extraction of company information from Companies House	5.00	-	-	-	-
Document Hosting	Pelstar Computing	Hosting of documents for creditors	14.00	28.00	7.00	21.00	7.00
Software Licence Fee	Pelstar Computing	Case management system licence fee	87.00	87.00	-	87.00	-
Statutory Advertising	Courts Advertising	Advertising	237.00	241.65	-	241.65	-
Storage Costs	Total Data Management	Storage of books and records	300.00	-	-	-	-
		Total standard expenses	683.00	446.65	7.00	439.65	7.00

Case Specific Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Agents' Fees	ITC Valuers	Costs of valuing and realising assets	2,000.00	2,500.00	-	2,500.00	-
Debt Collection Fees	-	Costs of collection of debts	1,000.00	-	-	-	-
Solicitors' Fees	Brecher Solicitors	Legal advice	-	3,970.00	-	3,970.00	-
Printing, Postage and Photocopying	Leonard Curtis	Category 2 disbursement requiring specific creditor / committee approval	10.00	26.74	-	26.74	-
		Total case specific expenses	3,010.00	6,496.74	-	6,496.74	-

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

The following Leonard Curtis policy information is considered to be relevant to creditors:

Staff Allocation and Charge Out Rates

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

6 Jan 2014 onwards	Standard £	Complex £	1 Aug 2019 onwards	Standard £	Complex £
Director	450	562	Director	525	656
Senior Manager	410	512	Senior Manager	445	556
Manager 1	365	456	Manager 1	395	494
Manager 2	320	400	Manager 2	345	431
Administrator 1	260	325	Administrator 1	280	350
Administrator 2	230	287	Administrator 2	250	313
Administrator 3	210	262	Administrator 3	230	288
Administrator 4	150	187	Administrator 4	165	206
Support	0	0	Support	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, who may be used for non-contentious matters pertaining to the insolvency appointment.

Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

Type	Description	Amount
AML checks	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per search

Eclipse Digital Limited – In Creditors' Voluntary Liquidation

Bond / Bordereau fee	Insurance bond to protect the insolvent entity against and losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting	Hosting of documents for creditors/shareholders. Cost per upload, plus VAT.	<table> <tr> <th>Type</th><th>First 100</th><th>Every addtl 10</th></tr> <tr> <td>ADM</td><td>£14.00</td><td>£1.40</td></tr> <tr> <td>CVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>MVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CPL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CVA</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>BKY</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>IVA</td><td>£10 p.a. or £25 for life of case</td><td></td></tr> </table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
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Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £204.00 3-6 months £303.00 6-12 months £490.00																								
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case																								
Statutory advertising	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£91.80 - £102.00 plus VAT per advert Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges																								

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions.	Time costs plus disbursements plus VAT
Other disbursements	See disbursements section below	See disbursements section below

Disbursements

Included within both of the above categories of expenses are disbursements, being amounts paid firstly by Leonard Curtis on behalf of the insolvent entity and then recovered from the entity at a later stage. These are described as Category 1 and Category 2 disbursements.

- a) Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£81.25 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

Insolvency (England and Wales) Rules 2016
Rule 14.4

Proof of Debt – General Form

CREDITORS' VOLUNTARY LIQUIDATION

RELEVANT DATE FOR CLAIMS: 12 APRIL 2016

Name of Company in Liquidation:

ECLIPSE DIGITAL LIMITED

Company registration number:

08857735

[Liquidation only]

1 Name of creditor
(If a company, provide the company registration number).

2 Correspondence address of creditor (including any email address)

3 Total amount of claim (£)
(include any Value Added Tax)

4 If amount in 3 above includes (£)
outstanding uncapitalised interest, state amount.

5 Details of how and when the debt was incurred.
(If you need more space, attach a continuation sheet to this form)

6 Details of any security held, the value of the security and the date it was given.

7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.

8 Details of any document by reference to which the debt can be substantiated

APPENDIX F (CONT.)

9 Signature of creditor
(or person authorised to act on the creditor's behalf)

10 Date of signature

11 Address of person signing if different from 2 above

12 Name in BLOCK LETTERS:

13 Position with, or relation to, creditor

Admitted to vote for

Amount (£)

Date

Admitted for dividend for

Amount (£)

Date

Liquidator

Liquidator

Notes:

1. There is no need to attach them now but the office holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.

2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

**LEONARD CURTIS
PRIVACY NOTICE FOR CREDITORS**

Information we collect and hold about you

By requesting details of your claim in this insolvency, we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation ("the GDPR"). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

Legal justification for processing your Personal Data

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

How we use your information

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity's liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

Who we share your information with

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

How long will we hold your Personal Data for?

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

Your rights in respect of your Personal Data

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.

Eclipse Digital Limited – In Creditors' Voluntary Liquidation

Your right to complain

You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.

If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliffe House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

Contacting us

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, 5th Floor, Grove House, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: privacy@leonardcurtis.co.uk.

Data Controller: LEONARD CURTIS