

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 1 0 5 4 3 1 1 8

Company name in full Upside Capital Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Lee

Surname De'ath

3 Liquidator's address

Building name/number Town Wall House

Street Balcerne Hill

Post town Colchester

County/Region Essex

Postcode C O 3 3 A D

Country

4 Liquidator's name ①

Full forename(s) Tom

Surname Gardiner

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Town Wall House

Street Balcerne Hill

Post town Colchester

County/Region Essex

Postcode C O 3 3 A D


Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report																
From date	d	0	d	8	m	1	m	1	y	2	y	0	y	2	y	2	
To date	d	0	d	7	m	1	m	1	y	2	y	0	y	2	y	3	
7	Progress report																
	<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date																
Liquidator's signature	<div>Signature</div> <div>  </div>																
Signature date	d	0	d	4	m	0	m	1	y	2	y	0	y	2	y	4	

**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 **Charlie Robinson**

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

Address **Town Wall House**

Balkerne Hill

Post town **Colchester**

County/Region **Essex**

Postcode

C	O	3		3	A	D
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Country

DX

Telephone **01206 217900**

**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

**Upside Capital Ltd
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £		From 08/11/2022 To 07/11/2023 £	From 08/11/2022 To 07/11/2023 £
	ASSET REALISATIONS		
Uncertain	Furniture & Equipment	NIL	NIL
Uncertain	Goodwill	NIL	NIL
		NIL	NIL
	PREFERENTIAL CREDITORS		
(9,861.52)	Employees re Arrears/Hol Pay	NIL	NIL
		NIL	NIL
	SECONDARY PREFERENTIAL CREDITORS		
(15,108.60)	HMRC	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(250,000.00)	Creditor Convertable Loan Notes	NIL	NIL
(55,000.00)	Directors	NIL	NIL
(79,439.24)	Employees	NIL	NIL
(23,154.00)	Prepaid Customers	NIL	NIL
(218,678.28)	Trade Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(107.97)	Ordinary Shareholders	NIL	NIL
(1,334,764.53)	Share Premium	NIL	NIL
		NIL	NIL
(1,986,114.14)		NIL	NIL
	REPRESENTED BY		
			NIL



Lee De'ath
Joint Liquidator

Upside Capital Ltd (In Creditors' Voluntary Liquidation)

Progress report

Period: 8 November 2022 to 7 November 2023

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"	Upside Capital Ltd (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 8 November 2022.
"the liquidators", "we", "our" and "us"	Lee De'ath of Begbies Traynor (Central) LLP, Town Wall House, Balcerne Hill, Colchester, Essex, CO3 3AD and Tom Gardiner of Begbies Traynor (Central) LLP Town Wall House, Balcerne Hill, Colchester, Essex, CO3 3AD
"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"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	N/A
Company registered number:	10543118
Company registered office:	Suite 24, W&N Building, Whitefriars Avenue, Harrow, HA3 5RN
Former trading address:	Suite 24, W&N Building, Whitefriars Avenue, Harrow, HA3 5RN

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	8 November 2022
Date of liquidators' appointment:	8 November 2022
Changes in liquidator (if any):	None

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 8 November 2022 to 7 November 2023. There have not been any receipts or payments to date.

What work has been done in the period of this report, why was that work necessary and what has been 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 - <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.

The details below relate to the work undertaken in the period of this report only.

General case administration and planning

During the review period the Insolvency Practitioners, as they are required, maintained records to demonstrate how the case is administered, and to document any decisions that materially affect the case.

At the onset of the case a strategy was formed for how the case will be managed and subsequently regular reviews have taken place to ensure case progression and the files are kept up to date.

Whilst this does not benefit creditors financially, it is necessary to ensure the efficient and compliant progressing of the liquidation, which ensures that the joint liquidators and their staff carry out their work to high professional standards.

Specific work carried out since the liquidator's appointment consists of:

- Filing of documents
- Periodic file reviews
- Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards
- Maintenance of statutory and case progression task lists/diaries
- Updating checklists
- Preparing correspondence opening accounts
- Requesting bank statements
- Bank account reconciliations
- Maintenance of the estate cash book
- Banking remittances and issuing cheques/BACS payments
- Discussions regarding strategies to be pursued

Compliance with the Insolvency Act, Rules and best practice

The Insolvency Practitioners are governed by the Insolvency Act and Rules, together with following best practice guidelines known as Statements of Insolvency Practice. We have certain statutory obligations and

duties to fulfil whilst in office which include the regular filing of progress reports with Companies House and the filing of a final report at the end of the period. We are also required to notify various bodies of our appointment, including creditors, Companies House, and advertise our appointment in the London Gazette.

We are also duty bound to correspond with creditors and issue notice of the insolvency event to the likes of the pensions departments, banks and other parties who would have an interest in the proceedings. There is also the duty to investigate the directors' conduct, bond the case appropriately and instruct professionals such as property agents and solicitors to assist where necessary.

This work does not benefit creditors financially but is necessary in accordance with the Insolvency Act, Rules and best practice.

Investigations

Following the appointment of the liquidators we carried out and submitted an online conduct report in accordance with the Company Directors Disqualification Act, a statutory requirement of the liquidation. In order to fulfil this duty, we sought to recover the Company books and records, both hard copy and electronic, from the directors in order to carry out our initial investigations.

An initial investigation is carried out in all cases to determine whether there are potential recovery actions for the benefit of creditors. Such investigations include analysis of the Company's bank statements, reviewing information provided by third parties and an analysis of the Company's management accounting records/systems. Any person who is or has been a director or is considered as a de facto or shadow director of the Company in the three years prior to the insolvency event are also asked to complete a questionnaire to assist with our investigations.

This initial assessment revealed matters that the Liquidators considered merited further investigation and action. The investigations are ongoing and are likely be concluded in the next review period.

Any financial benefit to creditors in carrying out the above work is unclear at present however creditors will be updated when appropriate to do so.

Specific work carried out in the review period consists of:

- Collection, and making an inventory, of company books and records
- Reviewing questionnaires submitted by creditors and directors
- Reviewing company's books and records
- Review of specific transactions and liaising with directors regarding certain transactions
- Preparing statutory investigation reports
- Liaising with Insolvency Service
- Submission of report with the Insolvency Service
- Assisting the Insolvency Service with its investigations

Realisation of assets

Furniture & Equipment

The director's statement of affairs detailed furniture and equipment, made up of IT equipment, with an uncertain estimated to realisable value. Following the appointment of the liquidators and the instruction of Hilco Appraisal Limited ("the Agent") it was not possible to realise any funds in respect of the asset as they had either been disposed of previously or had had no realisable value.

Goodwill

The Company's accounts detailed goodwill at a net book value of £6,600 with the director's statement of affairs detailing an uncertain estimated realisable value for the asset. Following the

appointment of the liquidators the goodwill and intellectual property was marketed and sold for the sum of £3,666, which has been received in full by the Agent.

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

Time has been spent dealing with creditor queries as and when required. This has included queries by telephone, email or within letters received in the post.

Specific work consists of:

- Receive and follow up creditor enquiries
- Review and prepare correspondence to creditors and their representatives
- Receipting and filing POD
- Preparation of correspondence to potential creditors inviting submission of POD
- Responding to queries and questions following decisions

5. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment (as detailed in the director's statement of affairs) are as follows:

Preferential creditors

Preferential claims of employees for arrears of wages, salary and holiday pay were estimated at £9,862 in the estimated Statement of Affairs. To date we are yet to receive the redundancy payments services preferential claim or any other preferential claims.

Secondary preferential creditors

Further to the changes to the Finance Act 2020, HM Revenue & Customs are now able to claim secondary preferential status for certain liabilities. Taxes owed by the business to HMRC comprising of VAT, PAYE Income Tax, Employee National Insurance Contributions, Student loan deductions and Construction Industry Scheme deductions fall under the secondary preferential status.

The secondary preferential claim of HM Revenue & Customs is estimated at £15,109, to date we have not received HM Revenue & customs claim in the liquidation.

It is currently uncertain whether there will be sufficient funds to pay a dividend to HMRC, any distribution will be contingent on realisations made from the outcome of the investigations carried out by the liquidators.

Unsecured creditors

Unsecured creditors were estimated at £626,272. We have received unsecured claims in the total sum of £381,381 from 17 creditors to date. please note that unsecured claims have yet to be adjudicated.

It is currently uncertain whether there will be sufficient funds to pay a dividend to unsecured creditors, any distribution will be contingent on realisations made from the outcome of the investigations carried out by the liquidators.

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

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for

this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ❑ 50% of the first £10,000 of net property;
- ❑ 20% of net property thereafter;
- ❑ Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if:

- ❑ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ❑ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

6. REMUNERATION & EXPENSES

Remuneration

We have not at this time drawn any funds on account of our remuneration, nor on account of certain expenses. Best practice guidance provides that payments to an office holder should be fair and reasonable and reflect the work that has been, and will be, properly carried out. The following proposal represents what we believe is a fair and reasonable fee basis, based on the work which has been carried out to date and the work which is yet to be undertaken.

Accordingly, we are seeking approval that our remuneration be fixed as a set amount along with percentage of the value of the assets which are realised and, in addition, as a percentage of any distributions. We are also seeking approval to draw expenses, including expenses for services provided by our firm and/or entities within the Begbies Traynor group, in accordance with our firm's policy.

Best practice guidance directs the office holder to provide details of any 'direct costs' which are included within the fixed fee detailed above. I can confirm that there are no direct costs included. All expenses are listed separately for transparency purposes, and approval is sought where necessary prior to discharging those expenses, (which will be properly incurred and directly attributable to the case). You can find a schedule of anticipated expenses within Appendix 3.

To assist creditors in determining whether to approve this basis of remuneration, as well as our expenses, the following information is set out at Appendix 2:

- Begbies Traynor (Central) LLP's charging policy

In addition, Appendix 2 contains the following:

- Time costs analysis
- Details of how the liquidators are seeking to be remunerated

Expenses

To 7 November 2023, we have not drawn any expenses.

Why have subcontractors been used?

Hilco Appraisal Limited ("Hilco") were to value and sell the assets of the Company. They confirmed their independence and have adequate professional indemnity insurance. The Agent has incurred considerable costs in marketing and agreeing a sale for the Company's goodwill however have agreed to cap their fees at £333.

Category 2 Expenses

There have not been any category 2 expenses charged to the case during the period.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2021' 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. 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

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3.

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

As detailed in the director's statement of affairs, the assets of the Company consisted of Furniture & equipment & Goodwill. At this stage in the liquidation the only potential realisations remaining are contingent on realisations made from the outcome of the investigations carried out by the liquidators, detailed above.

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General case administration and planning

The Liquidators will continue to with the following specific work that consists of:

- Filing of documents
- Periodic file reviews
- Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards
- Maintenance of statutory and case progression task lists/diaries
- Updating checklists
- Bank account reconciliations
- Maintenance of the estate cash book
- Discussions regarding strategies to be pursued

Compliance with the Insolvency Act, Rules and best practice

As previously reported the Insolvency Act and Rules require the Liquidators to produce progress reports on an annual basis in addition to a final report at the conclusion of the liquidation. Additionally, the Liquidators are required to file information with the Registrar of Companies and ensure that the case is adequately bonded.

Investigations

As advised previously, the investigations are currently ongoing and will be progressed during the next review period.

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

If there is sufficient funds available to make a distribution the liquidators will carry out the following specific work:

Specific work consists of:

- Receive and follow up creditor enquiries
- Review and prepare correspondence to creditors and their representatives
- Receipting and filing POD
- Receipt of POD
- Request further information from claimants regarding POD
- Preparation of correspondence to creditors advising of intention to declare distribution
- Advertisement of notice of proposed distribution
- Preparation of distribution calculation
- Preparation of correspondence to creditors announcing declaration of distribution
- Preparation of cheques/BACS to pay distribution
- Preparation of correspondence to creditors enclosing payment of distribution
- Dealing with unclaimed dividends

How much will this further work cost?

As can be seen above, there are unforeseen elements of work which were not envisaged at the onset of my appointment, and which need to be carried out in order to complete my duties. The proposed remuneration, detailed below, for creditor approval is expected to be sufficient in order to administer the case. We do not anticipate that we will need to approach creditors for an increase in our approved remuneration, unless circumstances greatly change again.

Expenses

At present we do not consider additional expenses to be likely and we anticipate our remuneration as agreed by creditors to be sufficient to complete the liquidation.

9. OTHER RELEVANT INFORMATION

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

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 <https://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 of this progress report.

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 of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

We will report again in approximately twelve months' time or at the conclusion of the liquidation, whichever is the sooner.



Lee De'ath
Joint Liquidator

Dated: 4 January 2024

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 8 November 2022 to 7 November 2023

**Upside Capital Ltd
(In Liquidation)
JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 08/11/2022 To 07/11/2023 £	From 08/11/2022 To 07/11/2023 £
RECEIPTS			
Furniture & Equipment	Uncertain	0.00	0.00
Goodwill	Uncertain	0.00	0.00
		<u>0.00</u>	<u>0.00</u>
PAYMENTS			
Employees re Arrears/Hol Pay	(9,861.52)	0.00	0.00
HMRC	(15,108.60)	0.00	0.00
Trade Creditors	(218,678.28)	0.00	0.00
Employees	(79,439.24)	0.00	0.00
Directors	(55,000.00)	0.00	0.00
Creditor Convertible Loan Notes	(250,000.00)	0.00	0.00
Prepaid Customers	(23,154.00)	0.00	0.00
Share Premium	(1,334,764.53)	0.00	0.00
Ordinary Shareholders	(107.97)	0.00	0.00
		<u>0.00</u>	<u>0.00</u>
Net Receipts/(Payments)		<u>0.00</u>	<u>0.00</u>
MADE UP AS FOLLOWS			
		<u>0.00</u>	<u>0.00</u>

COSTS AND EXPENSES

- a. Begbies Traynor (Central) LLP's charging policy
- b. Details of how the liquidators are seeking to be remunerated
- c. Time Costs Analysis for the period from 8 November 2022 to 7 November 2023

BEGBIES TRAYNOR 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 fee 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 £100 per meeting;
- ❑ Car mileage which is charged at the rate of 45 pence per mile

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

Charge-out rates are normally reviewed annually when rates are adjusted to reflect such matters as inflation; increases in direct wage costs; and changes to indirect costs such as Professional Indemnity Insurance. It is the firm's policy for the cashier's time spent on an assignment to be charged to the case. However, secretarial and office admin support time is charged only in respect of identifiable blocks of time devoted to the case where we consider it to be viable to do so. All time is recorded in 6 minute units.

Grade of staff	Charge-out rate range (£ per hour) 10 th July 2023 until further notice
Appointment taker/partner	560-640
Managers/directors	415-540
Other professional	215-300
Junior professional/support	170

1. DETAILS OF HOW THE LIQUIDATORS ARE SEEKING TO BE REMUNERATED

Further to our appointment, we are seeking creditors approval to be remunerated on one, or a mixture of the bases allowed under the Insolvency (England and Wales) Rules 2016. These are (a) as a set amount, the 'Fixed Fee', (b) as a percentage of the value of the assets realised and funds distributed, (c) on a time costs basis.

In this case, we are seeking that our remuneration be agreed on the on the following bases

(a) Fixed Fee

The Joint Liquidators propose to draw a fixed fee of £10,000 for undertaking the following categories of work, during their time in office. A description of the type of work which falls under these categories and that will be carried out in this case specifically, is detailed below.

1. General case administration and planning
2. Compliance with the Insolvency Act, Rules and best practice
3. Investigations
4. Dealing with all creditors claims (including employees), correspondence but not distributions
5. Other matters which include eg seeking decisions from creditors via Deemed Consent Procedures or Decision Procedures / tax / litigation / pensions / travel / other case specific matters

(b) Percentage Basis

We are also seeking to be remunerated on a percentage basis of asset realisations as well as a percentage of distributions made to creditors as follows: -

- As 20% of the value of gross realisation; and/or
- As 10% of the value of net distributions.

Fixing the Liquidators' fees in this way provides creditors with certainty as regards the fee irrespective of developments in the Liquidation (although the Liquidators have a statutory right to seek creditors' approval to adjust the fee in the event that circumstances change significantly). It is considered that if the Liquidators were to charge fees on the alternative basis of time costs incurred by them and their staff, this would result in a fee at least equal to, and very likely in excess of, that proposed.

What is the anticipated payment for administering the case?

In relation to our proposed bases of remuneration, we are aware that there are limited assets to realise and so the fee that we will be able to draw will be limited to the amount that is realised for the assets. However, please note that should there be additional or unexpected asset realisations, we will look to draw our fees from those too, limited to the level that the creditors approve.

Arriving at our fee estimates

After taking into account the nature and value of the assets involved and the nature and complexity of this case I have concluded that a fixed fee of £10,000 is a fair, reasonable and proportionate basis for the Liquidators fees. I have also compared the proposed fixed fee with our time records for this Liquidation (see table below) and I have taken this information into account when determining the level of the fixed fee sought.

Creditors will note that time of £17,919 have already been recorded since the Liquidators appointment and additional time will be expended to carry out the remaining work to be undertaken (detailed below). I believe that this demonstrates why the fixed fee is fair and reasonable in relation to the work that has been done to date and that I anticipate will be necessarily and properly undertaken.

The percentages that we are seeking have been arrived at based on the nature and complexity of the case as well as the nature of the assets and potential realisations involved, as can be demonstrated above. We have

also looked at previous liquidations of a similar nature in order to ensure that the percentage proposed represents a fair and reasonable reflection of the work that we have and expect to carry out.

Summary of the work to be undertaken in the Liquidation

Summary of work both already undertaken and to be undertaken is detailed above in the body of the report.

Once again, there may not be any obvious financial benefit to creditors, but all work carried out would likely be considered necessary for the administration and progression of the case. Creditors will be notified of all of our actions in the progress and/or final reports issued.

Time costs and charge out value from 8 November 2022 to 7 November 2023

Staff Grade		Consultant/Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning			0.8				4.1			4.9	1,151.50	235.00
	Administration	0.2		0.2				7.3	11.2	0.1	19.0	3,385.50	178.18
	Total for General Case Administration and Planning:	0.2		1.0				11.4	11.2	0.1	23.9	4,537.00	189.83
Compliance with the Insolvency Act, Rules and best practice	Appointment			1.4				2.6	2.3		6.3	1,472.50	233.73
	Banking and Bonding			0.3				0.2	0.5	0.5	1.5	326.50	217.67
	Case Closure												0.00
	Statutory reporting and statement of affairs	0.2									0.2	109.00	545.00
	Total for Compliance with the Insolvency Act, Rules and best practice:	0.2		1.7				2.8	2.8	0.5	8.0	1,908.00	238.50
Investigations	CDDA and investigations	0.8	1.2	1.4				3.5	4.2		11.1	3,066.50	276.26
	Total for Investigations:	0.8	1.2	1.4				3.5	4.2		11.1	3,066.50	276.26
Realisation of assets	Debt collection												0.00
	Property, business and asset sales	1.5						0.2			1.7	856.50	503.82
	Retention of Title/Third party assets												0.00
	Total for Realisation of assets:	1.5						0.2			1.7	856.50	503.82
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others	0.7		1.1				22.7	2.4		26.9	5,667.50	210.69
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	0.7		1.1				22.7	2.4		26.9	5,667.50	210.69
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors			1.3				2.7	3.0		7.0	1,557.00	222.43
	Meetings												0.00
	Other			0.3					0.6		0.9	223.50	248.33
	Tax			0.2					0.1		0.3	102.50	341.67
	Litigation												0.00
	Total for Other matters:			1.8				2.7	3.7		8.2	1,883.00	229.63
	Total hours by staff grade:	3.4	1.2	7.0				43.3	24.3	0.6	79.8		
	Total time cost by staff grade £:	1,853.00	672.00	3,045.00				8,481.50	3,774.00	93.00		17,918.50	
	Average hourly rate £:	545.00	560.00	435.00	0.00	0.00	0.00	195.88	155.31	155.00			224.54

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Estimated Expense £	Amount incurred £	Amount discharged £	Balance (to be discharged) £
	Expenses incurred with entities not within the Begbies Traynor Group				
Statutory Advertising	Courts Advertising	200.00	188.20	Nil	188.20
Specific Bond	Insolvency Risk Services	20.00	18.00	Nil	18.00
Postage	Royal Mail	300.00	Nil	Nil	Nil
Storage Costs	Total Data	Uncertain	Nil	Nil	Nil
Bank Charges	Barclays	Uncertain	Nil	Nil	Nil
Agents and Valuers Fees	Hilco Appraisal Limited	Uncertain	333.00	Nil	Nil