

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

05436086

Name of Company

101 Entertainments Limited

I / ~~We~~

Dean Watson, 340 Deansgate, Manchester, M3 4LY

the liquidator^(s) of the company attach a copy of my/~~our~~ Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 14/06/2014 to 13/06/2015

Signed



Date

30/7/15

Begbies Traynor (Central) LLP
340 Deansgate
Manchester
M3 4LY

Ref XX187CVL1/DW/SLC/KBB/DAJ

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COMPANIES HOUSE

101 Entertainments Limited (In Creditors' Voluntary Liquidation)

Progress report pursuant to Section 104A of the
Insolvency Act 1986 and Rule 4.49C of the
Insolvency Rules 1986

Period: 14 June 2014 to 13 June 2015

Important Notice

This progress report has been produced solely to comply with my 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"	101 Entertainments Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 14 June 2012
"the liquidator", "I", "me" and "my"	Dean Watson of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"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	101 Entertainments Limited
Company registered number	05436086
Company registered office	Begbies Traynor, 340 Deansgate, Manchester, M3 4LY
Former trading address	101 Princess Street, Manchester, Lancashire, M1 6DD

3 DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	14 June 2012
Date of liquidators' appointment	14 June 2012
Changes in liquidator (if any)	On 20 August 2014 Stephen Conn resigned as Liquidator of the Company. This was approved by creditors at a meeting held on 20 August 2014.

4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is my abstract of receipts and payments for the period from 14 June 2014 to 13 June 2015

RECEIPTS

Bank interest

Bank Interest received in the period amounts to £3 12

PAYMENTS

Corporation tax

Corporation tax paid in the period amounts to £1 30

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs included within the report sent to creditors further to my appointment as liquidator

On the basis of realisations to date and estimated future realisations I estimate an outcome for each class of the Company's creditors as follows -

Secured creditor

There are no secured creditors in this matter

Preferential creditors

There are no known preferential claims

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

Details of how the prescribed part for unsecured creditors is calculated was provided in my progress report for the period 14 June 2012 to 13 June 2013

Unsecured creditors

A dividend to the unsecured creditors will be dependent on the level of realisations achieved from monies due from the directors. Please see Section 8 (Assets that remain to be realised) of this progress report for further information

6. REMUNERATION & DISBURSEMENTS

My remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act by reference to the time properly given by me (as liquidator) and the various grades of my staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation and I am authorised to draw disbursements, including disbursements for services provided by my firm (defined as category 2 disbursements in Statement of Insolvency Practice 9), in accordance with my firm's policy, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report

My time costs for the period from 14 June 2014 to 13 June 2015 amount to £14,453.50 which represents 48.3 hours at an average rate of £299.24 per hour

The following further information in relation to my time costs and disbursements is set out at Appendix 2

- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period 14 June 2014 to 13 June 2015
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

To 13 June 2015, no sums have been drawn on account of my remuneration, against total time costs of £42,936 50 incurred since the date of my appointment. In addition to the time costs information disclosed at Appendix 2 for the period of this report, my previous progress report contained details of the time costs I had incurred as at the date of each report.

To 13 June 2015, I have also drawn disbursements in the sum of £22 92.

There have been no Category 2 disbursements in this matter.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' 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. LIQUIDATOR'S EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3.

8. ASSETS THAT REMAIN TO BE REALISED

Corporation tax terminal loss relief

It was previously considered that there was a possibility that the Company could claim corporation tax loss relief. This was based on the expectation that Manchester City Council were to submit a significant claim for unpaid rates. Ultimately the claim submitted by Manchester City Council was insufficient to allow a loss relief claim to be made.

Monies due from the directors

Following our investigations into the affairs of the Company, it was identified that withdrawals have been made by the directors/shareholders of the Company. Investigations have been made to identify the type of withdrawals (i.e. dividend, salary, directors' loans etc). It would appear that the majority of withdrawals relate to dividends and at the time of declaring the dividends, distributable reserves were available and therefore appear lawful.

There remain withdrawals of £120,000 that have not yet been clarified as to the type of withdrawal made. We are continuing with our investigations into these transactions.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated at the meeting of creditors convened pursuant to Section 98 of the Act, such report having also been sent to creditors following the meeting, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. I can confirm that I have discharged my duties in these respects.

Investigations carried out to date

I have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect

As detailed in Section 8, we are continuing to investigate withdrawals made by the directors of the Company

10. CREDITORS' RIGHTS

Right to request further information

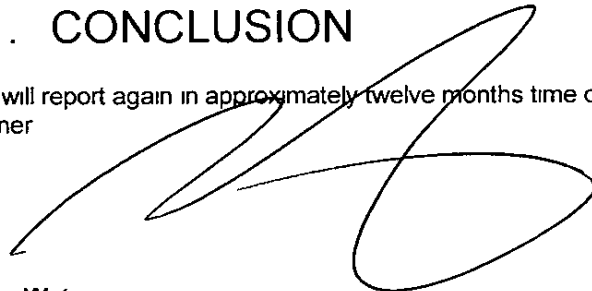
Pursuant to Rule 4.49E of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been detailed in this progress report

Right to make an application to court

Pursuant to Rule 4.131 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 as set out in 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

A large, stylized handwritten signature in black ink, appearing to read 'Dean Watson', is written over the text of the conclusion section.

Dean Watson
Joint Liquidator

Dated 30 July 2015

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 14 June 2014 to 13 June 2015

101 Entertainments Limited
(In Liquidation)

Summary of Receipts & Payments

Statement of Affairs (£)	From 14/06/2012 To 13/06/2013 (£)	From 14/06/2013 To 13/06/2014 (£)	From 14/06/2014 To 13/06/2015 (£)	Total (£)
<u>RECEIPTS</u>				
12,000 00	12,000 00	0 00	0 00	12,000 00
n/a	6 54	3 12	2 55	12 21
12,000 00	12,006.54	3.12	2.55	12,012 21
<u>PAYMENTS</u>				
Statement of Affairs Fee	9,500 00	0 00	0 00	9,500 00
Liquidators Expenses	22 92	0 00	0 00	22 92
Corporation Tax	0 00	1 30	0 00	1 30
Statutory Advertising	229 50	0 00	0 00	229 50
	9,752.42	1.30	0.00	9,753.72
Net Receipts/(Payments)	2,254.12	1 82	2 55	2,258 49

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred and
- d Table of time spent and charge-out value for the period from 14 June 2014 to 13 June 2015

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note 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 passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note 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. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving 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 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 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

Best practice guidance classifies expenses into two broad categories:

- ❑ *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,
- Displaying properties for sale on the 'Accelerated Property Sales from Begbies Traynor' section of the Begbies Traynor website is charged at the rate of £75.00 per property,

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales (Effective 1 April 2007)

² Ibid 1

(B) 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 disbursement*

- 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 Manchester office as at the date of this report are as follows

Grade of staff	Charge-out Rate (£ per hour)
Partner 1	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Junior Administrator	110
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME 101 Entertainments Limited
CASE TYPE Creditors' Voluntary Liquidation
OFFICE HOLDERS Dean Watson
DATE OF APPOINTMENT 14 June 2012

1 CASE OVERVIEW

1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holder's fees to consider the level of those fees in the context of the case

1.2 Complexity of the case

Withdrawals made by directors

I am continuing to investigate the conduct of the directors prior to the liquidation of the Company

1.3 Exceptional responsibilities

There have been no exceptional responsibilities

1.4 The office holders' effectiveness

Please refer to the progress report for the office holder's effectiveness in this case

1.5 Nature and value of property dealt with by the office holders

Please refer to the receipts and payments account detailed at appendix 2 of this report

1.6 Anticipated return to creditors

There are no secured or preferential creditors in this matter

Based upon realisations to date and estimated future realisations it is anticipated there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors

1.7 Time costs analysis

An analysis of time costs incurred between 14 June 2014 and 13 June 2015 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type

1.8 Work undertaken prior to appointment

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to the Liquidator's appointment in summoning, advertising and holding the creditors' meeting and assisting the directors in preparing the statement of affairs were approved by the creditors at the Section 98 meeting

1.9 The views of the creditors

A meeting of creditors was summoned and held pursuant to Section 98 of the Insolvency Act 1986 on 14 June 2012. This meeting gave creditors the opportunity to attend the meeting and question the director. This meeting also gave creditors the opportunity to raise any concerns regarding the conduct of the directors or to raise any matters which they considered required further investigation

1 10 Approval of fees, expenses and disbursements

My remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act by reference to the time properly given by me (as liquidator) and the various grades of my staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation and I am authorised to draw disbursements, including disbursements for services provided by my firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with my firm's policy

1 11 Other professionals employed & their costs

No professional fees have been incurred to date

1 12 Staffing and management

Please refer to the time cost analysis for details of the staffing and management in this matter

2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

2 1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by the office holder is attached at Appendix 2

2 2 The rates charged by the various grades of staff who have worked on this case is attached at Appendix 2

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Corporation tax	HM Revenue and Customs	1 30	1 30	-
Storage	Restore Plc	16 84	1 92	14 92
Companies house searches	Companies House	1 00	1 00	-
Bond	AUA Insolvency Risk Services	30 00	20 00	10 00
Statutory advertising	Courts Advertising Limited	229 50	229 50	-