

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

04293035

Name of Company

Foxtel Limited

I / We
Lee De'ath
Town Wall House
Balkerne Hill
Colchester
Essex
CO3 3AD

Richard Toone
Chantrey Vellacott DFK LLP
Russell Square House
10-12 Russell Square
LONDON
WC1B 5LF

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 21/06/2012 to 20/06/2013

Signed



Date

6/8/2013

Chantrey Vellacott DFK LLP
Town Wall House
Balkerne Hill
Colchester
Essex
CO3 3AD

Ref FOXT40229/LMD/GP/JP

THURSDAY



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COMPANIES HOUSE

Foxtel Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs	From 21/06/2012 To 20/06/2013	From 21/06/2011 To 20/06/2013	
ASSET REALISATIONS			
Uncertain	Book Debts	NIL	4,448 57
	Tax Refund	NIL	7,772 33
Uncertain	Inter Company Debtor	NIL	4,000 00
	Bank Interest Gross	21 03	30 57
	Sundry Refund	NIL	156 23
		<u>21 03</u>	<u>16,407 70</u>
COST OF REALISATIONS			
	Specific Bond	10 00	40 00
	Preparation of S of A	NIL	2,916 67
	Office Holders Fees	4,884 80	10,401 30
	Corporation Tax	2 56	2 56
	Stationery & Postage	NIL	10 27
	Case Transfer Costs	78 50	78 50
	Storage Costs	70 72	374 69
	Statutory Advertising	NIL	229 50
		<u>(5,046 58)</u>	<u>(14,053 49)</u>
FLOATING CHARGE CREDITORS			
(3,000 00)	Floating Charge Creditor	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
UNSECURED CREDITORS			
(19,917 41)	Trade & Expense Creditors	NIL	NIL
(11,827 50)	Employees	NIL	NIL
(30,000 00)	Directors	NIL	NIL
(44,490 84)	HM Revenue & Customs	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
DISTRIBUTIONS			
(100 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(109,335 75)</u>		<u>(5,025 55)</u>	<u>2,354 21</u>
REPRESENTED BY			
	Vat Receivable		312 66
	Bank 1 Current		2,041 55
			<u>2,354 21</u>



Lee De'ath
Joint Liquidator

**IN THE MATTER OF
FOXTEL LIMITED – IN LIQUIDATION
("THE COMPANY")**

COMPANY NO: 04293035

**REPORT OF THE JOINT LIQUIDATOR
PURSUANT TO SECTION 104A
OF THE INSOLVENCY ACT 1986 (AS AMENDED)**

Chantrey Vellacott DFK LLP

**Town Wall House
Balkerne Hill
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CO3 3AD**

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FOXTEL LIMITED – IN LIQUIDATION

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FOXTEL LIMITED – IN LIQUIDATION
REPORT OF THE JOINT LIQUIDATOR
2 AUGUST 2013

INTRODUCTION

I, Lee De'ath of Chantrey Vellacott DFK, was appointed Joint Liquidator of the above Company on 21 June 2011. My colleague Richard Toone replaced Ken Touhey on 14 August 2012 as Joint Liquidator.

In accordance with Section 104A of The Insolvency Act 1986 (as amended) I am pleased to present my report on the progress in the Liquidation. This report relates to the period from 21 June 2012 to 20 June 2013.

BACKGROUND

Please note this report should be read in conjunction with my previous report dated 17 August 2012 a copy of which is available on request.

RECEIPTS AND PAYMENTS ACCOUNT

An abstract of the Joint Liquidators' Receipts and Payments for the period concerned is attached at Appendix 1.

ASSET REALISATIONS

To date, the following assets have been realised as compared to the Director's Estimated Statement of Affairs:

	Estimated To Realise	Realised To Date
	£	£
Book debts	Uncertain	4,449
Inter Company Debtor	Uncertain	4,000
Tax Refund	n/a	7,772
Sundry Refund	n/a	156
Bank Interest Gross	n/a	31
Total	<u>Nil</u>	<u>16,408</u>

Details of asset recoveries to date, together with any assets still to be realised, are set out below

Book Debts

As previously reported the directors statement of affairs indicated total debts due to the Company of £177,000. However these debtors were given an uncertain realisable value as both companies had been placed into liquidation.

The liquidation of one debtor has been concluded and no distribution was made to unsecured creditors. The second debtors liquidation remains open, to date dividends of £4,449 have been received and enquiries have been made of the Liquidator as to the possibility of any further dividend, we await confirmation of the same.

Tax Refund

As reported previously, following the submission of the final pre-liquidation it became apparent the Company had overpaid Corporation tax of £7,772, this amount has been received in full.

Inter Company Debtor

As previously reported, following a review of the books and records the sum of £8,386 was identified as due to the Company from Foxtel Services Limited, an associated Company.

As per my previous annual report £4,000 had been received against this outstanding debt. I can confirm that the Joint Liquidators have continued to pursue Foxtel Services Limited for the balance of the funds owed. Since the period covered by this report I am pleased to advise that the sum of £4,386 being the balance remaining outstanding has now been received plus statutory interest of £420 from Foxtel Services Limited.

Bank Interest Gross

In the period covered by this report bank interest gross has accrued on the funds held in the liquidation account in the sum of £21. Total interest of £33 has been received since my appointment.

DIVIDEND PROSPECTS

Secured Creditors

National Westminster Bank Plc ("NatWest") hold a fixed and floating charge over the assets of the Company. In addition, any sums due to NatWest have been personally guaranteed by the director.

Any dividend to NatWest under their fixed and floating charge will be dependant upon any future distribution to unsecured creditors from the liquidation of the one remaining debtor.

Preferential Creditors

In accordance with the director's statement of affairs, it was not anticipated that there would be any preferential claims and to date no such claims have been received

Prescribed Part

Pursuant to Section 176A of The Insolvency Act 1986 (as amended), a Prescribed Part of the Company's net assets should be set aside for the benefit of unsecured creditors. This reduces the funds that would otherwise be made available to any secured creditor under Floating Charges created after 15 September 2003.

Since the charge held by NatWest was created on 9 August 2002, the provisions of Section 176A(3) do not apply.

Unsecured Creditors

As at the date of appointment the director anticipated, as detailed in his Statement of Affairs, that unsecured claims would be in the region of £106,235.

To date unsecured creditors' claims received total £49,566. Based on current information there will be no return to unsecured creditors from this case.

COSTS OF REALISATION

The following costs have been paid by the Joint Liquidators in the period of this report:

	£
Specific Bond	10
Corporation Tax	3
Case Transfer Costs	78
Storage Costs	71

Other Costs

Ellisons solicitors, have been retained as legal advisors in view of their general experience and expertise in these matters. They have assisted me with the collection of the balance outstanding on the Inter Company Debt.

I have agreed their remuneration on the basis of their standard hourly charge-out rates, plus VAT and disbursements. In the period since this report Ellisons, submitted their invoice in the sum of £374 plus VAT which will be settled in full from the funds currently held on the estate account.

JOINT LIQUIDATOR'S REMUNERATION AND DISBURSEMENTS

At the Meeting of Creditors held on 21 June 2011, creditors agreed that Chantrey Vellacott DFK LLP be paid a fixed fee of £5,000 plus disbursements and VAT for assistance in preparing the Director's Statement of Affairs and convening the creditors' meeting.

A payment on account of £2,083 was paid by the Company prior to liquidation with the balance of £2,917 being drawn from asset realisations in the liquidation, as agreed at the creditors' meeting

At the same meeting, the creditors also passed a resolution enabling me to draw my remuneration based on my firm's time costs, and to draw Category 2 disbursements

Summaries of the Liquidators' time costs, covering the period since my appointment and the period covered by this report, analysed by grade of staff, are attached at Appendix 2

In accordance with the Statement of Insolvency Practice 9 issued by the Association of Business Recovery Professionals and adopted by my professional licensing body, I advise that the overall time spent during the period of the Liquidation to 20 June 2013 and charge out value of that time is 63 00 hours and £11,116 70 respectively. This equates to an average hourly charge out rate of £176 46

In relation solely to the period covered by this report, I advise that the overall time spent and charge out value of that time is 26 40 hours and £5,021 respectively

This equates to an average hourly charge out rate of £190 18. These figures do not include VAT

To date, the Joint Liquidators have drawn fees in the sum of £10,401 and disbursements in the sum of £460 of which £4,885 and disbursements totalling £162 have been drawn since my last report

The work undertaken as Joint Liquidator is derived from the responsibilities placed upon me by the underlying legal and regulatory framework for work of this nature. I have been assisted by the assignment manager and administrator, together with secretarial staff and cashiers. All personnel were charged directly to the assignment for all of the time relating to the case

I believe this case generally to be of average complexity and no exceptional responsibility has to date fallen upon me as Liquidator

Disbursements represent the reimbursement of actual out-of-pocket payments made on behalf of the assignment. These are outlined in the cost breakdown attached as outlined above

CHARGE OUT RATES

In common with other professional firms, my charge out rates increase from time to time over the period of the administration of the case. I enclose an explanation of office holders' charging and disbursement recovery policies for your reference as Appendix 3

A Creditors' Guide to Joint Liquidators' Fees, which provides information for creditors in relation to the remuneration of the Joint Liquidators, can be accessed at the website of the Association of Business Recovery Professionals at

website of the Association of Business Recovery Professionals at <http://www.r3.org.uk/index.cfm?page=1210> Alternatively, I can provide you with a copy on written request to my office

RIGHT TO REQUEST FURTHER INFORMATION

I would draw your attention to Rule 4.49E and Rule 4.131 of the Insolvency Rules 1986 (as amended), the text of which is reproduced at Appendix 4. These Rules set out the circumstances under which creditors may request further information in relation to the Joint Liquidator's remuneration and expenses and their right to challenge the Joint Liquidator's remuneration and expenses.

INVESTIGATIONS

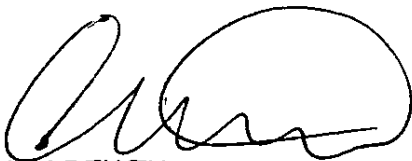
I have complied with my statutory duty in relation to the Directors conduct report which has been submitted to the Department for Business, Innovation and Skills, in accordance with the Company Directors Disqualification Act 1986. The report is confidential and accordingly I cannot disclose its content to the creditors.

As previously requested, if creditors have any information they believe should be brought to my attention, please send such details in writing.

CONCLUSION

Following receipt of details on the dividend prospects of the remaining debtor from the Liquidator, the Joint Liquidators will consider the viability and commerciality of keeping this liquidation open to receive any sums due. Should it not be commercially viable to keep the case open, final meetings of members and creditors will be convened.

Should you require any further information, in addition to that already given, please contact Julian Purser at this office, on 01206 578004.




L.M. DE'ATH

Joint Liquidator

Licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

**Foxtel Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments**

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 Lee De'ath
 Joint Liquidator

**SUMMARY OF JOINT LIQUIDATORS'
TIMECOSTS AND DISBURSEMENTS**

FOXTEL CVL - FOXT45445

Time and Chargeout Summary for the period 21/06/2012 to 20/06/2013							
Classification of work function	Hours				Total Hours	Time Cost £	Average hourly rate £
	Partner / Director	Manager	Other Senior Professionals	Assistants & Support Staff			
Administration & Planning	1 60	3 50	2 20	3 40	10 70	2,310 00	215 89
Investigations	0 00	0 10	0 00	0 00	0 10	30 00	300 00
Realisation of Assets	0 30	2 20	1 30	0 00	3 80	856 50	225 39
Creditors	0 50	0 40	8 30	0 00	9 20	1,410 50	153 32
Case Specific Matters	0 00	1 20	0 90	0 00	2 10	346 30	164 90
Shareholdings	0 00	0 00	0 50	0 00	0 50	67 50	135 00
Total Hours	2 40	7 40	13 20	3 40	26 40	5,020 80	190 18
Total fees Claimed	850 00	1,960 80	1,777 00	433 00	5,020 80		

Category 1 Disbursements	
Type and Purpose	£
Case Transfer Costs	78 50
	78 50

FOXTEL CVL - FOXT45445

Time and Chargeout Summary for the period 21/06/2011 to 20/06/2013							
Classification of work function	Hours				Total Hours	Time Cost £	Average hourly rate £
	Partner / Director	Manager	Other Senior Professionals	Assistants & Support Staff			
Administration & Planning	2 30	4 80	13 70	10 50	31 30	5,494 90	175 56
Investigations	1 00	0 20	7 70	0 00	8 90	1,558 00	175 06
Realisation of Assets	0 30	2 30	4 80	0 00	7 40	1,405 50	189 93
Creditors	0 50	0 40	9 40	0 00	10 30	1,600 00	155 34
Case Specific Matters	1 50	1 20	1 50	0 40	4 60	990 80	215 39
Shareholdings	0 00	0 00	0 50	0 00	0 50	67 50	135 00
Total Hours	5 60	8 90	37 60	10 90	63 00	11,116 70	176 46
Total fees Claimed	1,970 00	2,359 80	5,250 50	1,536 40	11,116 70		

Category 1 Disbursements	
Type and Purpose	£
Statutory Advertising	229 50
Storage Charges	141 44
Case Transfer Costs	78 40
Postage	10 27
	459 71

**CHARGEOUT RATES
AND
DISBURSEMENTS RECOVERY POLICY**

CHANTREY VELLACOTT DFK LLP

CHARGEOUT RATES AND DISBURSEMENT RECOVERY POLICIES

Chargeout Rates

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), the firm's chargeout rates applicable to this appointment, exclusive of VAT, are as follows

	From 1 August 2011 £ per hour
Partners / Office Holders	350 - 450
Consultants	350 - 450
Directors	325 - 340
Senior Manager	300 - 315
Managers	280 - 295
Assistant Managers	260 - 275
Senior Executive	220 - 250
Executive	125 - 175
Analyst	100 - 105
Cashier	120 - 160
Secretaries and office admin support	80 - 110

Chargeout rates are normally reviewed annually on 1 July 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.

Direct expenses ("Category 1 Disbursements")

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case will be charged to the estate at cost, with no uplift. These include but are not limited to such items as case advertising, storage, online reporting facilities, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

Indirect expenses ("Category 2 Disbursements")

It is our normal practice to also charge the following indirect disbursements ("Category 2 Disbursements as defined by SIP 9) to the case, where appropriate:

Circulars to creditors

Plain/headed paper including photocopying	12p per side
Envelopes	12p each
Postage	Actual cost

Room Hire

For the convenience of creditors and to save the cost of booking an outside hotel room, meetings of creditors are occasionally held internally at our offices. Where meetings of creditors are held in one of our internal meeting rooms, a charge of £100 plus VAT is levied to cover the cost of booking the room.

Travel

Mileage incurred as a result of any necessary travelling is charged to the estate at the H M Revenue & Customs approved rate, currently 40p per mile.

All of the above costs are subject to amendment by the firm at any time and if amended will be notified to creditors with the next circular sent to all creditors.

Company Searches & Electronic Verification of Identity

Included in expense and/or disbursements, Company Searches and electronic Verification of Identity include an element of shared costs. Such expenses are of an incidental nature but are generally incurred on each case. In line with the cost of the external provision of such services, a charge of £15 plus VAT is levied to cover the cost of these searches.

Chantrey Vellacott DFK LLP

Effective 1 August 2012

Chantrey Vellacott DFK is a limited liability partnership registered in England and Wales (NoOC313147) whose registered office is at Russell Square House, 10-12 Russell Square, London, WC1B 5LF. The term "partner" denotes a member of a limited liability partnership. A list of members of Chantrey Vellacott DFK LLP is available at our registered office.

APPENDIX 4

**EXTRACTS OF 4.49E AND 4.131
OF THE INSOLVENCY RULES 1986
(AS AMENDED)**

Extracts of 4.49E and 4.131 of The Insolvency Rules 1986 (as amended)

4.49E Creditors' and Members' request for further information

4.49E(1) [Duty of Liquidator re remuneration or expenses] If-

- (a) within the period mentioned in paragraph (2)-
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (iii) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company, or
- (b) with the permission of the court upon an application made within that period mentioned in paragraph (2)-
 - (i) any unsecured creditor, or
 - (ii) any member of the company in a members' voluntary winding up,

makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4 49B(1)(e) or (f) (including by virtue of Rule 4 49C(5)) or in a draft report under Rule 4 49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter in a draft report under Rule 4 49D or a progress report required by Rule 4 108 which (in either case) was previously included in a progress report not required by Rule 4 108

4.49E(2) [Period for compliance with r.4.49E(1)] The period referred to in paragraph (1)(a) and (b) is-

- (a) 7 business days of receipt (by the last of them in the case of an application by more than one member) of the progress report which it is required by Rule 4 108, and
- (b) 21 days of receipt (by the last of them in the case of an application by more than one member) of the report or draft report in any other case

4.49E(3) [How liquidator to comply] The liquidator complies with this paragraph by either-

- (a) providing all the information asked for, or
- (b) so far as the liquidator considers that-
 - (i) the time or cost of preparation of the information would be excessive, or

- (ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
- (iii) the liquidator is subject to an obligation of confidentiality in respect of the information,

giving reasons for not providing all of the information

4.49E(4) [Application to court by creditors and members] Any creditor, and any member of the company in a members' voluntary winding up, who need not be the same as the creditors or members who asked for the information, may apply to the court within 21 days of-

- (a) the giving by the liquidator of reasons for not providing all of the information asked for, or
- (b) the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just

4.49E(5) [Court may extend period in rr.4.131(1B), 4.148C(2)] Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks or, as the case may be, 4 weeks provided for in Rule 4.131(1B) or 4.148C(2) by such further period as the court thinks just

4.49E(6) [Non-application to official receiver] This Rule does not apply where the liquidator is the official receiver

4.131 Creditors' claim that remuneration is or other expenses are excessive

4.131(1) [Secured or certain unsecured creditors may apply to court] Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

4.131(1A) [Grounds for application] Applications may be made on the grounds that-

- (a) the remuneration charged by the liquidator,
- (b) the basis fixed for the liquidator's remuneration under Rule 4.127, or
- (c) expenses incurred by the liquidator,

is or are, in all circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

4.131(1B) [Time limit for application] The application must, subject to any order of the court under Rule 4.49E(5), be made no later than 8 weeks (or, in

the case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report, or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

4.131(2) [Power of court to dismiss etc.] The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice but which is without notice to any other party

If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

4.131(3) [Notice to liquidator] The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

4.131(4) [Court order] If the court considers the application to be well-founded, it must make one or more of the following orders-

- (a) an order reducing the amount of remuneration which the liquidator was entitled to charge,
- (b) an order fixing the basis of remuneration at a reduced rate or amount,
- (c) an order changing the basis of remuneration,
- (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation,
- (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under subparagraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

4.131(5) [Costs of application] 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