

AM10

Notice of administrator's progress report



Companies House

WEDNESDAY



A20 *A7H9RVSB*
24/10/2018 #174
COMPANIES HOUSE

1 Company details

Company number 0 2 4 5 5 8 0 7
Company name in full The Lifetime SIPP Company Ltd

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Ian
Surname Robert

3 Administrator's address

Building name/number Devonshire House
Street 60 Goswell Road
Post town London
County/Region
Postcode E C 1 M 7 A D
Country

4 Administrator's name ①

Full forename(s) Ryan Michael
Surname Davies

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Devonshire House
Street 60 Goswell Road
Post town London
County/Region
Postcode E C 1 M 7 A D
Country

② Other administrator
Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6

Period of progress report

From date	^d 2	^d 9	^m 0	^m 3	^y 2	^y 0	^y 1	^y 8	
To date	^d 2	^d 8	^m 0	^m 9	^y 2	^y 0	^y 1	^y 8	

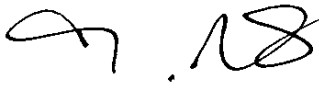
7

Progress report

<input checked="" type="checkbox"/> I attach a copy of the progress report	
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8

Sign and date

Administrator's signature	Signature	
X		X
Signature date	^d 2	^d 2
	^m 1	^m 0
	^y 2	^y 0
	^y 1	^y 8

AM10

Notice of administrator's progress report



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 Ellis Brealey

Company name Kingston Smith & Partners LLP

Address Devonshire House

60 Goswell Road

Post town London

County/Region

Postcode E C 1 M 7 A D

Country

DX

Telephone 020 7566 4020 / 020 7566 4021



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

Joint Administrators' Progress Report

**The Lifetime SIPP Company Ltd
- In Administration**

22 October 2018

THE LIFETIME SIPP COMPANY LTD - IN ADMINISTRATION

CONTENTS

- 1** Introduction
- 2** Progress of the Administration
- 3** Pre-administration Costs
- 4** Joint Administrators' Remuneration
- 5** Estimated Outcome for Creditors
- 6** Ending the Administration
- 7** Creditors' Rights
- 8** Next Report

APPENDICES

- A** Receipts and Payments Account from 29 March 2018 to 28 September 2018
- B** Time Analysis for the period 29 March 2018 to 28 September 2018
- C** Additional Information in Relation to the Joint Administrators' Fees, Expenses & Disbursements
- D** Estimated Outcome Statement as at 28 September 2018

THE ADMINISTRATOR'S PROGRESS REPORT

1 Introduction

- 1.1 I, together with my partner Ryan Michael Davies, was appointed Joint Administrator of The Lifetime SIPP Company Ltd ("the Company") on 29 March 2018. The appointment was made by the Director, Robin Hooper on 29 March 2018.
- 1.2 This Administration is being handled by Kingston Smith & Partners LLP at Devonshire House, 60 Goswell Road, London EC1M 7AD. The Administrators' contact details are by phone on 0207 566 4020 or via email at ebrealey@ks.co.uk. The Administration is registered in the High Court of Justice Business and Property Courts in Bristol, reference number 84 of 2018.
- 1.3 Information about the way that we will use, and store personal data on insolvency appointments can be found at <https://www.kingstonsmith.co.uk/kspllp-gdpr/>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.4 The trading address of the Company was 8th Floor, 25 Marsh Street, Bristol BS1 4AQ.
- 1.5 The registered office of the Company is Devonshire House, 60 Goswell Road, London EC1M 7AD and its registered number 02455807.
- 1.6 As Joint Administrator, I am required to provide a Progress Report covering the period of six months commencing from the date the Company entered Administration and every subsequent period of six months. This Progress Report covers the period from 29 March 2018 to 28 September 2018 ("the Period") and should be read in conjunction with my earlier Proposals Report and any previous Progress Reports which have been issued.

2 Progress of the Administration

- 2.1 You may recall that the statutory objective being pursued in the Administration was the second objective being achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration). In addition to the pursuance of this statutory objective, the Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.
- 2.2 This section of the Report provides creditors with an update on the progress made in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Administrators under other related legislation.
- 2.3 At Appendix A is my Receipts and Payments Account covering the period of this Report.
- 2.4 Attached at Appendix B is a time analysis outlining the time spent by the Administrators and their staff during the Period.
- 2.5 Further information about the basis of remuneration agreed in this case and the Administrators' fees estimate can be found in section 3 of this Report, together with any relevant information about revisions to my initial estimate, where applicable.

Administration (including statutory compliance & reporting)

- 2.6 As noted above, the Administrators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work that I anticipated would need to be done in this area was outlined in my initial fees estimate/information.

THE LIFETIME SIPP COMPANY LTD - IN ADMINISTRATION

- 2.7 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Administrators.
- 2.8 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Trading

- 2.9 Although no trading took place following my appointment, there was significant interaction with SIPP holders. Whilst the Company's business had been effectively transferred prior to our appointment, it later emerged that certain SIPPs had not fully transferred. We are currently liaising with a number of parties in order to transfer the administration of these SIPPs to a new provider. This process is ongoing, but I hope to have this concluded shortly. These SIPPs relate to the Interactive Investor SIPP, the Trustnet SIPP, and the Telegraph Investor SIPP. If you hold one of these SIPPs, please do contact us so that we can explain the current position.

Realisation of Assets

Sale of SIPPs

- 2.10 As detailed in my Proposals, in addition to the SIPPs referenced at 2.9 above the Company operated 4,746 SIPPs which were split into three separate tranches, with Tranches 1 and 2 comprising of untainted liquid SIPPs and Tranche 3 being tainted/illiquid SIPPs. Tranche 1 consists of 1,892 SIPPs, Tranche 2 consists of 836 SIPPs and Tranche 3 consists of 2,018 SIPPs ("the SIPPS").
- 2.11 The SIPPS were subject to a Conditional Asset Purchase Agreement ("CAPA") with Wilton UK Group which was entered into prior to my appointment as Joint Administrator.
- 2.12 Accordingly, as previously detailed in the Proposals, a Settlement and Transfer Agreement ("the Agreement") was entered into on 4 May 2018 with Hartley Pensions Limited ("HPL") in relation to the SIPPS on 4 May 2018 resulting in additional cash consideration of £325,000 plus VAT together with HPL's agreement that all claims they may have or a "related party" (which includes group companies) may have against the Company including a claim for management services of c£565k be settled and compromised. The settlement was reciprocal.
- 2.13 In addition, the Agreement included ongoing support from HPL staff members in assisting the Joint Administrators to deal with the management and smooth administration of consumer claims and any other queries received. This agreement was documented in an Administration and Management Services Agreement ("AMAS") also dated 4 May 2018. The AMAS requires the Joint Administrators to pay HPL a monthly service charge for a total of 9 months from its commencement unless terminated earlier. The total amount payable under the AMAS for the period will be £100k plus VAT and these funds are held in my solicitors' client account, from which these fees are paid on a monthly basis.

Tainted/ Illiquid SIPPs

- 2.14 The tainted and illiquid SIPPs were reviewed and it was concluded that these SIPPs held no value to the Administration estate and as such they were included in the Agreement detailed above.

Cash at Bank

- 2.15 Upon appointment, the Company's Bank was contacted and funds of £698,126.28 was realised into the Liquidation account. Furthermore, a sum of £7,172.40 was realised from the Company's solicitors' client account and as such is classed as cash at bank. Accordingly, cash at bank of £705,298.68 has been realised in total.

THE LIFETIME SIPP COMPANY LTD - IN ADMINISTRATION

- 2.16 It is considered that the work the Administrators and their staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may depending on realisations and the extent of any 3rd party security, result in a distribution to the preferential and unsecured creditors of the Company. I am aware that in this instance, a Prescribed Part fund will not exist.

Creditors (claims and distributions)

- 2.17 Further information on the anticipated outcome for creditors in this case can be found at section 5 of this Report. The Administrators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.18 *Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.*
- 2.19 The above work will not necessarily bring any financial benefit to creditors generally, however the Administrators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Administrators in dealing with those claims.
- 2.20 I consider the following matters worth noting in my Report to creditors at this stage:
- There are approximately 3,600 unsecured creditor claims in this case with a value per the director statement of affairs of c£56.5 million.
 - There are no secured creditors in this case.
 - I anticipate claims from preferential creditors totalling nil.

Investigations

- 2.21 Some of the work the Administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (**CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Administrators can pursue for the benefit of creditors.
- 2.22 I can confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.

Case Specific Matters

Financial Conduct Authority ("FCA") involvement

- 2.23 Due to the Company being regulated by the FCA, we have been required to provide updates to the FCA regarding progression of the case and indeed complete the standard FCA Gabriel reporting. HPL helped in providing certain information to assist with this process.
- 2.24 Furthermore, the Joint Administrators have completed a standard FCA questionnaire regarding, among other things, the Company's on-going permissions, the number of outstanding complaints, fractional ownership queries and the expected outcome of the Administration. Under FCA requirements, the Administrators have had to comply with a

THE LIFETIME SIPP COMPANY LTD - IN ADMINISTRATION

number of reporting requirements as the various permissions to conduct financial business under FCA remain in existence.

Financial Ombudsman Service ("FOS")

- 2.25 Since our appointment as Joint Administrators, dialogue was opened with the FOS and its solicitors regarding the Company's ongoing complaints procedure. The FOS have been advised of HPL's involvement on managing claims and we will continue to liaise with HPL and FOS on a regular basis.

Financial Services Compensation Scheme ("FSCS")

- 2.26 The Joint Administrators have been in contact with the FSCS and its solicitors and have apprised them of the current position and that they should expect to receive claims from consumers in due course. You can contact the FSCS directly should wish to progress a claim. We will continue to work closely with the FSCS to support consumer claims. It is expected that the FSCS will 'stand in the shoes' of consumers as a creditor in the Administration in circumstances where the FSCS has paid compensation to consumers.
- 2.27 Furthermore, we are also providing the FSCS with information from the Company's records regarding specific consumer complaints in relation to certain investments. This requires significant time in searching the relevant computer records.

Joint class action – "Freedom Bay"

- 2.28 Upon appointment as Joint Administrators, we were advised by Fosters Solicitors of an on-going class action against Freedom Bay, being one of the tainted assets pertaining to Tranche 3. As these assets transferred to HPL, the Company no longer has any interest in them.

Interactive Investor Trading Limited ("II")

- 2.29 Upon appointment, I was advised by II's solicitor of the current position of II and their 28 scheme members' claims for tax relief on in specie contributions occurring pre-Administration. Legal advice has been sought and this is on-going. Furthermore, correspondence has been entered into with HMRC regarding specific enquiries in respect of the above relief at source claims which is time consuming.

KPMG Tesco Compensation Scheme

- 2.30 Throughout the Period, it was brought to our attention there a number of members who were due compensation under the above scheme. Accordingly, upon legal advice, the relevant Determination Notices were required to be signed, in conjunction with the scheme's Trustee, in order to release the compensation.

Insurers' solicitors' requests

- 2.31 Throughout the Period, we have received requests from the Company's previous insurers' solicitors to provide specific information from the Company's records. I understand this is to assist the insurers in determining whether to cover claims made by the Company on the policy. Accordingly, significant time has been expended in searching the Company's relevant records in order to provide the relevant information.

Company Pension Scheme

- 2.32 Upon appointment as Joint Administrators, searches were carried out and questions asked of the director regarding the Company's pension scheme for its former employees. Two pension schemes have been identified and we have instructed Clumber Consultancy to advise on our responsibilities. No liabilities were owing to the pension schemes and both have been closed.

THE LIFETIME SIPP COMPANY LTD - IN ADMINISTRATION

Connected party transactions

- 2.33 In accordance with Statement of Insolvency Practice 13, I would advise you that the following assets were sold to a party connected with the Company:

Date of transaction	Assets involved & nature of transaction	Consideration paid & date	Sold to	Relationship
4 May 2018 and 14 May 2018	SIPP Administration (Tranches 1, 2 and 3)	£325,000	Hartley Pensions Limited	Shareholder associated company

- 2.34 Further information relating to the sale of these assets is detailed above in sections 2.10–2.14.

3 Joint Administrators' Remuneration

- 3.1 The basis of the Joint Administrators' fees has been fixed in the Administration by reference to the time properly spent by them and their staff in managing the Administration. My fees estimate/information was originally provided to creditors when the basis of my remuneration was approved and was based on information available to me at that time.

- 3.2 A copy of that estimate is reproduced below:

Category of work	Estimated Number of Hours	Average blended charge out rate £	Estimated cost £
Administration (inc statutory compliance & reporting)	232.00	294.14	68,240
Realisation of assets	80.00	355.00	28,400
Creditors (claims & distributions)	375.00	277.47	104,050
Investigations	201.00	296.52	59,600
Trading	55.00	352.73	19,400
Total estimated fees			£279,690

- 3.3 My time costs for the Period are £203,135.06. This represents 629.08 hours at an average rate of £322.91 per hour. Attached at Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent in managing the Administration. To date, £196,815.06 plus disbursements of £1,316.83 has been drawn on account.
- 3.4 At the date of this Report, I would confirm that my fees estimate for the Administration remains unchanged. However, it is still not possible to accurately assess our future time costs due to the nature of the work involved.
- 3.5 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from www.ks.co.uk/creditors-guides-fees/.
- 3.6 Attached at Appendix C is additional information in relation to the Administrators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

THE LIFETIME SIPP COMPANY LTD - IN ADMINISTRATION

4 Estimated Outcome for Creditors

- 4.1 An Estimated Outcome Statement as at 28 September 2018 is attached at Appendix D.

Secured Creditors

- 4.2 The Company has a number of charges registered at Companies House. However, it is believed that these charges relate to assets contained within certain SIPPs. These are being reviewed in conjunction with our solicitors. These secured creditors do not appear on the face of the documentation to be secured creditors of the Company itself.

Preferential Creditors

- 4.3 As detailed previously, it was determined that the Company's employees had transferred to Wilton UK Group as per the CAPA under the Transfer of Undertakings (Protection of Employment) Regulations ("TUPE").
- 4.4 Accordingly, the Company did not employ any staff as at the date of Administration and therefore should not be subject to any preferential claims.

Unsecured Creditors

- 4.5 The Company has c2,000 SIPP members which have a tainted aspect to their SIPP holdings. Whilst the SIPP operation has transferred to HPL the SIPP members may have a claim against the Company as at the date of the administration and based on current estimates it is believed that these claims could total in excess of £50,000,000.
- 4.6 Due to the large number of individuals involved in this case, more time is required to deal with creditor claims. As detailed above, HPL staff members are assisting us for a period of nine months to assess claims from consumers, and to liaise with the FOS and the FSCS as appropriate in relation to complaints, claims and data access requests. For the first few months after our appointment, we were, naturally, inundated with calls and emails from conscious consumers. Whilst we have tried to deal with each request on an individual basis, the sheer volume of enquiries was high and we apologise if we did not manage to contact all those that made contact with us. We are still dealing with such enquiries and are happy to provide further advice should you contact us. Indeed, HPL have assisted us in dealing with such requests.
- 4.7 I understand that the FSCS will pay compensation on claims that fall within their compensation scheme with their maximum award limited to £50,000 per consumer. As the FSCS responds to claims it will subrogate into the creditors shoes in the Administration and claim as an unsecured creditor. We are in contact with the FSCS and will continue to liaise with HPL and the FSCS to progress these claims for as long as is necessary. It is hoped that eventually the FSCS will take over all claims directly.

5 Ending the Administration

Creditors' Voluntary Liquidation

- 5.1 Based on present information, the Joint Administrators consider a dividend will be paid to the unsecured creditors other than by virtue of the Prescribed Part. As a result, the Joint Administrators will either make an application to Court to enable them to make a distribution to unsecured creditors in the Administration or they will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation (CVL) to facilitate this distribution.

Dissolution of the Company

- 5.2 If a dividend will be paid to the unsecured creditors other than by virtue of the Prescribed Part the Joint Administrators may consider making an application to Court to seek permission to distribute this in the Administration. If permission is granted, the Company will exit into dissolution once the distribution has been made and the Administration is concluded.
- 5.3 The Joint Administrators' appointment will end following the registration of the notice by the Registrar of Companies.
- 5.4 The Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect.

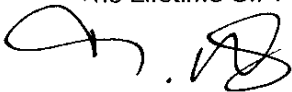
6 Creditors' Rights

- 6.1 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) may request in writing that the Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this Progress Report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this Progress Report make an application to Court on the grounds that, in all the circumstances, the basis fixed for the Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Administrators, as set out in this Progress Report, are excessive.

7 Next Report

- 7.1 The Administrators are required to provide a Progress Report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised or he wishes to extend it.

For and on behalf of
The Lifetime SIPP Company Ltd



IAN ROBERT
Joint Administrator

THE LIFETIME SIPP COMPANY LTD - IN ADMINISTRATION

Appendix A

Receipts and Payments Account from 29 March 2018 to 28 September 2018

**The Lifetime SIPP Company Ltd
(In Administration)**

Joint Administrators' Summary of Receipts and Payments

	Statement of affairs £	From 29/03/2018 To 28/09/2018 £	From 29/03/2018 To 28/09/2018 £
RECEIPTS			
Cash at Bank	716,126.28	705,298.68	705,298.68
Data Access requests		50.00	50.00
Bank Interest Gross		343.41	343.41
SIPP Administration	Uncertain	325,000.00	325,000.00
Debtors (Suspended Fees)	Uncertain	0.00	0.00
Trade & Expense Creditors	Uncertain	0.00	0.00
HM Revenue & Customs	Uncertain	0.00	0.00
Other contingent consumer claims	Uncertain	0.00	0.00
Preference Shareholders	600.00	0.00	0.00
Ordinary Shareholders	62,500.00	0.00	0.00
Vat Payable		65,000.00	65,000.00
		<u>1,095,692.09</u>	<u>1,095,692.09</u>
PAYMENTS			
Computer Services		690.00	690.00
Website Maintenance		1,600.00	1,600.00
Specific Bond		420.00	420.00
Preparation of S. of A.		1,500.00	1,500.00
Office Holders Fees		196,815.06	196,815.06
Office Holders Expenses		1,316.83	1,316.83
External Mailing costs		7,373.77	7,373.77
Agents Fees Clumber Consultancy		300.00	300.00
Agents Fees Ardenta Consulting		435.00	435.00
Legal Fees (Foot Anstey)		119,037.40	119,037.40
Legal Disbursements (Foot Anstey)		378.84	378.84
Statutory Advertising		67.00	67.00
SIPP Administration advisor fee		45,000.00	45,000.00
Consumer Claims	(21,950,000.00)	0.00	0.00
Contingent consumer claim	(34,558,912.90)	0.00	0.00
Vat Receivable		73,549.28	73,549.28
		<u>448,483.18</u>	<u>448,483.18</u>
BALANCE - 28 September 2018		<u>647,208.91</u>	<u>647,208.91</u>
MADE UP AS FOLLOWS			
Bank 1 Current Metro Bank		581,208.91	581,208.91
Foot Anstey (Client Account)		66,000.00	66,000.00
		<u>647,208.91</u>	<u>647,208.91</u>

THE LIFETIME SIPP COMPANY LTD - IN ADMINISTRATION

Appendix B

Time Analysis for the Period from 29 March 2018 to 28 September 2018

The Lifetime SIPP Company Limited

Summary of Fees and Expenses

From 29/03/2018 to 28/09/2018

Time Costs

The following is a summary of the time costs incurred by the Office Holder and his staff in the administration of this matter. It should be read in conjunction with the Office Holder's Report for the period referred to above.

Work Activity	Partner Hrs	Manager / Supervisor Hrs	Administrator Hrs	Other Hrs	Total Hrs	Time Costs (£)	Average Costs (£)
Administration & Planning	122.50	13.58	59.83		195.92	68,561.65	349.95
Books & Records administration	8.50	1.50			10.00	4,140.00	414.00
Case Planning/Information	50.25	0.25	0.33		50.83	21,266.67	418.39
Cashiering - set-up, maintenance &	2.58				2.58	1,085.00	420.54
Dealing with company/Debtor re	18.58	0.50	8.33		27.42	9,661.68	352.36
General Admin/Billing/Filing	0.50	0.83	28.42		29.75	6,193.30	208.18
Pensions Administration	17.83	0.42	0.83		19.08	7,815.00	409.59
Post Appointment VAT & CTax	0.42	1.33	2.83		4.58	1,248.33	272.56
Set-up Administration/IPS/Initial	3.25	0.17	2.25		5.67	1,878.33	331.28
Statutory filing with Court, Companies	11.67	3.92	4.75		20.33	7,338.33	360.96
Strategy reviews/Checklists/Diary	8.92	4.67	12.08		25.67	7,935.01	309.12
Investigations	23.50	32.50	11.58		67.58	24,536.67	363.08
Information capture/initial	3.33	3.50	0.17		7.00	2,763.34	394.76
Litigation - document review	16.25		6.33		22.58	8,091.67	358.36
Other scheduling & information	2.00	2.83			4.83	1,916.66	396.82
Retrieval, review & analysis of debtors	1.92				1.92	805.00	419.27
SIP 2 review & CDDA reporting		1.75	3.50		5.25	1,365.00	260.00
Strategy, planning, meetings and		24.42	1.58		26.00	9,595.00	369.04
Realisation of Assets	48.67	15.17	9.75		73.58	28,153.33	382.62
Cash & Bank balances/VA contribs &	0.50	1.00	3.25		4.75	1,239.98	261.05
Debtors & Claims	4.33		2.08		6.42	2,236.66	348.39
Pensions/Policies	33.00	0.33	0.42		33.75	14,070.00	416.89
Tangible Assets - plant, motors,	10.83		4.00		14.83	5,350.00	360.76
Identification, securing, insuring &		3.58			3.58	1,361.67	380.35
Intangible Assets - Goodwill,		10.25			10.25	3,895.02	380.00
Trading	25.83	3.58	3.33		32.75	12,878.32	393.23
Management of Operations	25.83	3.58	3.33		32.75	12,878.32	393.23
Creditors	28.42	68.67	140.50	21.67	259.25	69,005.09	266.17
Claims/Proofs	7.75	25.00	79.83	21.42	134.00	31,565.90	235.57
Correspondence/Preparation of	20.58	43.33	60.67	0.25	124.83	37,277.53	298.63
Secured/Finance Creditors &	0.08				0.08	35.00	437.50
Employees/ERA scheme admin		0.17			0.17	63.33	372.53
Other Distributions (inc to members)		0.17			0.17	63.33	372.53
Grand Total:	248.92	133.50	225.00	21.67	629.08	203,135.06	

Notes

1 All costs are shown excluding VAT and include an element of undrawn work in progress. It should also be noted that the office holder's fees and other expenses included in his Abstract Receipts and Payments, will include irrecoverable VAT, where the insolvent was not formerly registered for VAT.

2 The number of hours shown have been rounded to two decimal places.

Disbursements

Category 1 Disbursements

These are out of pocket expenses which are directly attributable to the case. These are charged to the case and billed as funds allow.

The Lifetime SIPP Company Limited

Summary of Fees and Expenses

From 29/03/2018 to 28/09/2018

Category 2 Disbursements

These are costs which are allocated to the case, where no direct costs are applicable. In this case, category 2 disbursements have been charged to the case as detailed in the report

THE LIFETIME SIPP COMPANY LTD - IN ADMINISTRATION

Appendix C

Additional Information in Relation to the Joint Administrators' Fees, Expenses & Disbursements

1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 On this case we are proposing to use the services of the following sub-contractors

Service (s)	Provider	Basis of fee arrangement	Cost to date
On-going support with Creditor complaints and administration services	Hartley Pensions Ltd	Monthly Charge for 9 months totalling £100,000	£45,000

2 Professional Advisors

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Foot Anstey (legal advice)	Hourly rate and disbursements
Marsh Limited (insurance)	Risk Based Premium plus time costs
Clumber Consultancy (Pension scheme advice)	Set Fee

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

3 Joint Administrators' Expenses & Disbursements

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the Administration was provided to creditors in the Administrators' Proposals Report a copy of which is set out below:

Expense	Estimated cost £
Solicitors' costs for dealing with the sale of the administration of SIPP, validity of appointment and various miscellaneous legal matters including regulatory advice	100,000.00
Statutory advertising	207.00
Specific penalty bond	800.00
External storage of company's books and records	1,000.00
Case related travel & subsistence	1,150.00
Management and Services Agreement	100,000.00
Category 2 disbursements charged by the firm:	
IPS Licence	90.00
Business mileage	108.66

Current position of Joint Administrators' expenses

- 3.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Solicitors' costs (Foot Anstey)	119,037.40	c15,000	180,000.00
Legal Disbursements (Foot Anstey)	378.84	Nil	378.84
Agents Fees (Clumber Consultancy)	300.00	Nil	300.00
Agents Fees (Ardenta Consulting)	435.00	Nil	435.00
Statutory advertising	67.00	Nil	207.00
Specific penalty bond	420.00	Nil	420.00
External storage of books & records	Nil	Nil	1,000.00
External mailing costs	7,373.77	Nil	7,373.77
Third Party telephone services	439.31	Nil	439.31
Case related travel & subsistence	877.52	Nil	877.52
SIPP Administration advisor fee	45,000.00	Nil	100,000.00
Computer Services	690.00	Nil	690.0
Website Maintenance	1,600.00	Nil	1,600
Insurance	Nil	Nil	2,500
Category 2 disbursements			
Business mileage	108.66	-	108.66
IPS Licence	Nil	90.00	90.00

- 3.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.
- 3.4 The main changes since our last report relate primarily to legal costs which have risen to £180,000. This is due to:
- Increased correspondence with solicitors acting for insurers and the FSCS.
 - Additional work in liaising with HPL's advisers.
 - Further work dealing with RAS claims, certain SIPP categories (II, Trustnet etc.) and general advice to additional queries.

Additionally we have incurred 3rd party mailing costs to deal with the huge number of creditors, which if dealt with in-house would have been both impractical and uneconomical.

- 3.5 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided in the Administrators' Proposals Report and approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

4 Charge-Out Rates

- 4.1 Kingston Smith & Partners LLP's current charge-out rates effective from 1 May 2017 are detailed below. Please note this firm records its time in minimum units of 5 minutes. Rates did not change on 1 May 2018.

General Practice Rates

	Per Hour £
Partner	420
Licensed Insolvency Practitioner	380
Senior Manager	355
Manager	330
Other Senior Professionals	
Supervisor/Assistant Manager	295
Senior Administrator	260
Administrator	200
Junior Administrator	160
Support Staff	
Experienced Cashier	280
Cashier	210
Support	130

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Appendix D

Estimated Outcome Statement as at 28 September 2018

Appendix D

Estimated Outcome Statement as at 28 September 2018

Unencumbered Assets

Cash at Bank	705,299	
Sale of Administration of SIPPs	325,000	
Data Access requests	50	
Bank Interest	651	
	-	1,031,000

Less Costs

Joint Administrators' Fees	(280,000)	
Joint Administrators' Disbursements	(2,000)	
Solicitors Fees (Foot Anstey)	(180,000)	
Miscellaneous trading costs	(5,000)	
External mailing costs	(15,000)	
SIPP Administration advisor fee	(100,000)	
Other Costs - Sundry	(10,000)	
		<u>(592,000)</u>

Amount available for Unsecured Creditors

439,000