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1 Company details

Company number	0	8	1	4	0	3	1	2
Company name in full	London Capital & Finance Plc							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)	Finbarr Thomas
Surname	O'Connell

3 Administrator's address

Building name/number	25 Moorgate
Street	London
Post town	EC2R 6AY
County/Region	
Postcode	
Country	

4 Administrator's name ①

Full forename(s)	Adam Henry
Surname	Stephens

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number	25 Moorgate
Street	London
Post town	EC2R 6AY
County/Region	
Postcode	
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 3	^d 0	^m 0	^m 1	^y 2	^y 0	^y 2	^y 1
To date	^d 2	^d 9	^m 0	^m 7	^y 2	^y 0	^y 2	^y 1

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

Furlan O'Connell

X

Signature date

^d 2	^d 6	^m 0	^m 8	^y 2	^y 0	^y 2	^y 1
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**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 **Camilla Mulholland**

Company name **Smith & Williamson LLP**

Address **25 Moorgate**

London

Post town **EC2R 6AY**

County/Region

Postcode

Country

DX **119507 Finsbury Square EC2**

Telephone **020 7131 4000**

**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**

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Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

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This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ①
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
Please complete in typescript or in bold black capitals.
All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Colin

Surname

Hardman

3 Insolvency practitioner's address

Building name/number

25 Moorgate

Street

London

Post town

EC2R 6AY

County/Region

Postcode

EC2R 6AY

Country

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- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Henry Anthony

Surname

Shinners

3 Insolvency practitioner's address

Building name/number

25 Moorgate

Street

London

Post town

EC2R 6AY

County/Region

Postcode

EC2R 6AY

Country

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- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s) Geoffrey Paul
Surname Rowley

3 Insolvency practitioner's address

Building name/number 110 Cannon Street
Street
Post town London
County/Region
Postcode E C 4 N 6 E U
Country

London Capital & Finance Plc
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 30/01/2021 To 29/07/2021 £	From 30/01/2019 To 29/07/2021 £
ASSET REALISATIONS		
Bank Interest Gross	6.48	11,229.51
Cash at bank	NIL	3,189,912.30
Furniture & Equipment	127.12	127.12
Insurance Refund	NIL	7,902.72
Loan Accounts	NIL	100,383.28
Loan Repayment - London Financial G	130,298.27	130,298.27
Loan Repayment - London Oil & Gas L	NIL	10,000,000.00
Motor Vehicles	NIL	203,110.39
Rates Refund	NIL	513.40
	130,431.87	13,643,476.99
COST OF REALISATIONS		
Administrators' Expenses	NIL	330.75
Administrators' Fees	NIL	1,500,000.00
Agents/Valuers Expenses	NIL	3,492.39
Agents/Valuers Fees (1)	NIL	182,839.17
Bank Charges	21.15	421.48
Comittee Expenses	NIL	4,000.62
Consultant expenses	NIL	574.90
Fee Assessor costs	47,000.00	47,000.00
HP Finance	NIL	888.45
ICO Renewal	NIL	80.00
Insurance	NIL	7,571.42
Internet, Telephone Costs & Network	NIL	69,771.86
Irrecoverable VAT	58,898.16	1,256,942.69
Legal Expenses	71,434.49	831,776.00
Legal Fees (1)	15,792.50	3,055,228.70
Loan to WCOL/Prime Group	129,109.29	433,247.66
Meeting costs	NIL	4,575.17
Other Property Expenses	NIL	237.50
PAYE & NI	NIL	245.73
Pension contributions	NIL	822.80
Petitioners Deposit	NIL	1,891.00
Professional Expenses	NIL	1,193.76
Professional Fees	26,425.00	210,358.75
Rates	NIL	1,107.02
Re-Direction of Mail	NIL	1,787.00
Rents Payable	NIL	1,666.66
Security Trustee/ Dividend costs	5,783.36	24,500.15
Specific Bond	NIL	140.00
Stationery & Postage	NIL	19,470.81
Statutory Advertising	NIL	169.00
Storage Costs	NIL	5,281.56
Transfer to LCF dividend a/c	NIL	5,902,219.07
Travel & Sustinence	NIL	15,514.94
Wages & Salaries	NIL	12,753.98
	(354,463.95)	(13,598,100.99)
	(224,032.08)	45,376.00
REPRESENTED BY		
Clients Deposit (Interest Bearing)		45,376.00
		45,376.00

Note:



London Capital & Finance Plc (in administration)

Joint administrators' progress report for the period from 30
January 2021 to 29 July 2021

26 August 2021



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1. Glossary

Abbreviation	Description
the administrators/joint administrators	Finbarr Thomas O'Connell, Adam Henry Stephens, Henry Anthony Shinnars and Colin Hardman of Smith & Williamson LLP and Geoff Rowley of FRP Advisory Trading LLP
the Company/ LCF	London Capital & Finance plc
FCA	Financial Conduct Authority
FSCS	Financial Services Compensation Scheme
GST	Global Security Trustees Limited (in liquidation)
LCM	London Capital Marketing Limited (in liquidation)
LFG	London Financial Group Limited (in liquidation)
LOG	London Oil & Gas Limited (in administration)
LPM	London Power Management Ltd (in liquidation)
MdR	Mishcon de Reya LLP, the joint administrators appointed legal advisors
Proposals	The administrators' proposals dated 25 March 2019
QFCH	Qualifying Floating Charge Holder - a secured creditor who has the power to appoint an administrator
RPS	Redundancy Payments Service
Sch B1	Schedule B1 to the Insolvency Act 1986 If preceded by P this denotes a paragraph number
SFO	Serious Fraud Office
SIP	Statement of Insolvency Practice (England & Wales)
SOA	Statement of Affairs
SURGE	SURGE Financial Limited

2. Introduction & Summary

This report provides an update on the progress in the administration of the Company for the six-month period ended 29 July 2021. It should be read in conjunction with our previous reports. By way of reminder, we, Finbarr Thomas O'Connell, Adam Henry Stephens, Colin Hardman and Henry Shinnars of Smith & Williamson LLP, 25 Moorgate, London, EC2R 6AY, were appointed administrators of the Company on 30 January 2019. Geoff Rowley of FRP Advisory Trading LLP, 110 Cannon Street, London, EC4N 6EU was subsequently appointed as conflict administrator by the Court on 30 October 2019.

- Bondholders will be aware that HM Treasury has announced that it will be implementing a compensation scheme ("the Scheme") for LCF Bondholders who have not already received compensation from the FSCS. The Scheme has not yet opened and there is no requirement for Bondholders to take any action in respect of the Scheme at present. The Scheme will compensate Bondholders for 80% of their initial investment, up to a maximum of £68,000 (being 80% of the maximum FSCS compensation limit of £85,000). Further information regarding the Scheme can be found at section 4.2 of this report
- In December 2020, we first announced to the Bondholders that the joint administrators of both LCF and LOG had issued claims against 15 defendants ('the Main Proceedings'), seeking to recover £178m of Bondholders' funds invested in LCF. A legal ruling continues to restrict the amount of information which can be shared in respect of these proceedings. However, we will update all creditors, including Bondholders with further information when we are legally able to do so. It is likely that, due to the complexity of the case and the number of defendants, a Court date for the hearing of the Main Proceedings will not be scheduled until 2023.
- In addition to the Main Proceedings referred to above, the joint administrators are pursuing other routes for recoveries into the administration for the benefit of the Company's creditors, including Bondholders. Again, once we are in a position to disclose further details of our other activities without prejudicing the potential outcome, we will inform all creditors, including Bondholders.
- The Creditors' Committee has been kept informed with regard to both the main proceedings and other potential actions that may be available to the joint administrators. The members of the Creditors' Committee remain subject to Non-Disclosure Agreements.
- Objective 3 (1) (b), which is one of the 3 statutory purposes of administration, is currently being pursued, which is to achieve a better result for the Bondholders/creditors than would have been the case had the Company been wound up (without first being in administration). There has been no change to our original strategy as first documented in our Proposals, which were issued in March 2019.
- A dividend of 2.5% of the capital sums invested by Bondholders (circa £6m) was paid in April 2020 to over 10,000 Bondholders. As and when there are sufficient net asset realisations, further dividends will be paid to the Bondholders. However, if the HM Treasury Scheme becomes operational before that time then it is very likely that the FSCS will pay out the Scheme compensation and it will then be the FSCS which will receive further dividends from the administrators with regard to its subrogated claim. Accordingly, following the payment of Scheme compensation, the FSCS will, as a subrogated creditor, receive the majority of the estimated minimum 25% dividend which has been referred to in previous reports.
- As detailed at section 4.5 of this report, the FSCS has now paid out £57.6M to approximately 2,871 Bondholders. The FSCS is now a significant creditor of LCF, with a subrogated claim equating to c.24% of the outstanding sums invested by Bondholders and this claim continues to increase as further compensation payments are made, which will include any sums paid out under the HM Treasury Scheme, on the assumption that HM Treasury will ask the FSCS to administer the Scheme for it.
- Following a petition by LCF, as a creditor for in excess of £20m, a winding up order was made against LPM on 21 April 2021 resulting in the compulsory liquidation of LPM. Finbarr O'Connell and Clare Lloyd, both of Smith & Williamson LLP, were appointed as joint liquidators of LPM on 28 May 2021. It is understood that LPM owns assets which will eventually become available for the benefit of LCF (and therefore, LCF's creditors and Bondholders). The quantum and timing of any LPM asset realisations cannot be confirmed at present.
- It is not anticipated that there will be a surplus, beyond the sums payable to the Bondholders, who are secured creditors, to enable a dividend to either the preferential creditors, or unsecured creditors (other than if there were to be a Prescribed Part fund available, as explained in section 7.2).

- The joint administrators' fees are subject to the approval of the Creditors' Committee, which requested that the joint administrators engage an independent fee assessor to provide advice as to the reasonableness and quantum of their costs, given the size and complexity of the administration. The joint administrators are currently in discussions with the Creditors' Committee with regard to the fee assessor assignment.
- At the outset of the administration, it was estimated that, as a minimum, Bondholders would eventually receive back 25% of the funds invested by them. These payments to Bondholders would have taken place over a number of years.
- Clearly, the percentage return to the Bondholders is now going to be much higher than this percentage due to the provisions of the HM Treasury Scheme. The Scheme will compensate Bondholders for 80% of their initial investment, up to a maximum of £68,000 (being 80% of the maximum FSCS compensation limit of £85,000). Accordingly, thanks to the HM Treasury Scheme, many Bondholders who were not eligible for FSCS compensation will receive a return of 80% of their initial investment rather than the 25% initially estimated. Also, payments from the Scheme will reach Bondholders much more quickly than if they had to wait for the administrators to realise a number of highly complex assets.

3. Progress of the administration

Attached at Appendix II is our receipts and payments account for the period from 30 January 2021 to 29 July 2021. This account includes cumulative figures for the period from 30 January 2019 to 29 July 2021.

There is no available comparison with a director's SOA values, as the director, Michael Andrew "Andy" Thomson, has not complied with the administrators' formal request to deliver a SOA. In the Proposals dated 25 March 2019, the administrators provided an estimated financial position of the Company as at 30 January 2019, based on information provided by the Company's former accountants.

3.1 Administration strategy

There have been no changes to the administrators' strategy, as documented in their Proposals dated 25 March 2019, which is to achieve a better result for LCF's creditors as a whole, including the Bondholders, than would be likely if LCF was wound up (without first being in administration).

The administrators are continuing to pursue this objective and the outstanding matters to be concluded in the administration are set out in section 8 of this report. Readers should note that these matters (being primarily legal proceedings) will necessarily require a number of years, rather than months, to reach conclusion. However, on the basis of the Scheme, this will now be an issue for the FSCS to monitor with the administrators over the next few years.

3.2 Amounts due to the Company from Borrowers

The total outstanding sum invested by Bondholders prior to our appointment as administrators was c.£237m, which, as we have previously explained, was booked in the Company's accounts as loans to a small number of entities/borrowers. These 12 entities and the loans allocated to each borrower are summarised in Appendix VI.

To recap, all LCF borrowers had ceased paying the interest payments due on their loans by September 2018. From this point, payments made to Bondholders in respect of interest and matured bonds, were funded by new Bondholder subscriptions. Also, in some cases, the LCF borrowers were not making any interest payments and in other cases they were making interest payments out of funds advanced by LCF.

It is clear to the joint administrators that the LCF borrowers had insufficient assets to be able to meet the loan obligations and it is also the case that the loans booked to LCF's accounts cannot be fully reconciled to the actual movement of funds out of LCF.

The following table summarises the four main borrower groupings:

Controlling groups/ entities	Amount due to LCF as at 30 January 2019 (£ million)
London Group LLP	154.6
(London Oil & Gas Limited, LPE Support Limited, Cape Verde Support Limited and CV Resorts Limited)	
Prime Resort Development Limited	70.1
(Waterside Villages Limited, Waterside Support Limited, Costa Support Limited, Costa Property Holdings Limited, Colina Support Limited and Colina Property Holdings Limited)	
FS Equestrian Services Limited	12.3
London Financial Group Limited	0.8
Total	237.8

The Bondholders and creditors are reminded that, regrettably, there are very few assets of any value in the above groups. The principal asset is LOG's investment in AIM-listed Independent Oil & Gas Plc ("IOG"). (IOG is a completely unconnected company and is a LOG borrower and not an LCF borrower) As regards the remainder of the loan portfolio, there are a limited number of potential avenues for future realisations. (See Appendix VI for further financial information about the LCF loan portfolio and Appendix VIII for further financial and diagrammatical information about, specifically, the London Group loan position).

By way of reminder, 25% commission was paid to SURGE for introducing the Bondholders to LCF, with therefore the intention that only 75% of the loan funds would be passed on to the LCF borrowers in cash. Whilst this statement is true as a matter of general principle, as mentioned earlier in this report, there are numerous discrepancies between the amounts that LCF loans are shown at in the accounts of LCF and the actual amounts of cash advanced to the LCF borrowers. In any event, the LCF borrowers assumed liability for repayment of the full 100% grossed up loan amounts to LCF.

Update on the London Group LLP (£154.6m)

The lending to London Group LLP, and the entities controlled by it, (see Appendix VIII) and the on-lending by those entities can be broken down further as follows:

LOG (£124M)

By way of reminder, LOG owes LCF £124M. We are aware that LOG made various investments with the funds obtained from LCF and the following table is a summary of the on-lending due to LOG as at 30 January 2019:

Debtor	Sum advanced (£ million)
Independent Oil & Gas plc ("IOG")	34.6
London Group LLP ("LG")	32.6
London Power Corporation Ltd ("LPC")	8.3
p/f Atlantic Petroleum ("AP")	3.8
Intelligent Technology Investments Ltd ("ITI")	3.8
Total	83.1

The following updates as regards the various investments and loans made by LOG can be found in more detail in the LOG administration reports, which are publicly available for download from Companies House, however, they are summarised here for the benefit of the LCF Bondholders and creditors:

IOG (£34.6m)

The LOG administrators have continued to work with their advisers, Cenkos Securities Plc, in order to monitor the IOG investment with a view to maximising any recoveries for the benefit of the LOG's creditors, including LCF.

The value of LOG's investment in IOG as at 16 July 2021, with a share price at that time of 24p per share, including the proceeds from the shares which have already been sold, was £66.6 million. Any future recoveries made will be subject to Capital Gains Tax. Currently, the IOG share price is around 20p per share.

The Joint Administrators of LOG believe that IOG remains on target to produce gas during the third quarter of 2021, which is anticipated to have a positive effect on the share value of IOG.

LG (£32.6m) - in administration

Background on LG can be found in previous progress reports. The joint administrators' investigations into the business and trading of LG are continuing. At present, the joint administrators remain uncertain as to the quantum of any recoveries being made in LG for the benefit of its creditors, the main creditor being LOG.

LPC (£8.3m) - in administration

The joint administrators of LOG are continuing to investigate what, if any, recoveries might be made from the debt due from LPC.

The administrator of LPC has submitted a claim in the LOG administration in the amount of £1,336,210 which has since been rejected in full by the LOG administrators. The administrator of LPC subsequently filed an application to court to seek to overturn the rejection and a hearing date has been set for October 2021. Further information regarding this matter can be found in the most recent LOG administrators' progress report.

AP (£3.8m)

The standstill agreement between AP and LOG remains in place, however, no funds have been received by LOG as a result of this agreement since June 2020. The joint administrators of LOG continue to maintain a close dialogue with the AP board regarding these outstanding funds. In recent months, the oil market has marginally improved; consequently, the joint administrators are more hopeful that a full recovery of the debt owed by AP may be made.

ITI (£3.8m) - in liquidation

- **ITI loans to Asset Mapping ("AM") £3m**

The joint liquidators of ITI remain uncertain as to the timing and quantum of any such return from AM and continue to monitor the situation.

- **ITI shares in Reserec Ltd ("RL") c.£1m**

Recoveries in respect of ITI's investment in RL remain uncertain and dependent upon the ongoing performance and development of RL's business.

LPE Support Ltd ("LPES") (£18.2m) - in administration

Background on the debt owed by LPES can be found in previous reports. LPES remains under the control of its joint administrators. It remains unclear whether any value will be recovered from LPES for the ultimate benefit of the LCF creditors, including the Bondholders.

LPM - in liquidation

LPM was dissolved on 23 July 2019, however, the joint administrators' investigations revealed that there may be assets owned by LPM, which were not properly dealt with prior to LPM's dissolution. As a result, LCF petitioned for the restoration and immediate winding up of LPM, with the restoration and winding up order duly granted on 21 April 2021. Finbarr O'Connell and Clare Lloyd were subsequently appointed as joint liquidators of LPM on 28 May 2021.

The LPM liquidators are currently undertaking further investigations in order to ascertain the exact position regarding LPM's assets. Further details regarding the LPM liquidation will be available in future progress reports issued by the joint liquidators of LPM.

Cape Verde - Cape Verde Support Limited (CVS) and CV Resorts Limited (CVR) (together, "the Cape Verde Companies") (c£12m)

Detailed background on the Cape Verde Companies, and the monies owed by them to LCF, can be found in our previous reports. The joint administrators do not expect that any recoveries will be made in respect of the Cape Verde Companies and have very serious concerns as to why LCF was exposed as a creditor to the Cape Verde Companies for such a significant sum.

Update on the Prime Group (£70.1m)

LCF is owed money from six companies ("the Prime Companies") which consist of three leisure investments: one in Cornwall (Waterside Resort) and two in the Dominican Republic (Colina and Costa).

By way of reminder, Prime Resorts Developments Ltd ("PRDL"), the parent company of the Prime Group, was placed into administration by LCF as QFCH, in order to obtain access to the available books and records of the Prime Companies (See Appendix IX for a group structure of the Prime Group) to investigate the purported lending of c.£70m listed in the books of LCF. The next progress report for PRDL is due for issue by 2 September 2021, where further detail will be available.

Update on Waterside Resort

The holiday village, land and lodge titles are held within the following companies within the Prime Group, all of which were placed into administration on 17 March 2020, with Finbarr O'Connell and Colin Hardman of S&W LLP and Lane Bednash of CMB Partners (UK) Ltd being appointed as joint administrators:

- International Resorts Management Ltd ("IRML")
- Waterside Villages Ltd ("WVL")
- Waterside Cornwall Group Ltd ("WCGL")
- Waterside Cornwall Operations Ltd ("WCOL").

The combined progress reports issued to date are available for download from Companies House, with the next report due for release by 16 October 2021.

WCOL is the only trading company within the Prime Group and holds the operating business of the Waterside holiday village situated in Bodmin, Cornwall. The joint administrators have continued to trade the Waterside resort with the aim of preserving the site's value as a going concern, until a sale of the entire site can be facilitated. The challenging circumstances and uncertainty brought about by the COVID-19 pandemic has meant that the strategy has been subject to regular review.

The resort is to be placed onto the open market shortly, with a view to completing a sale by the end of March 2022 at the earliest.

Update on Dominican Republic

**Colina Property Holdings Ltd and Colina Support Ltd
Costa Property Holdings Ltd and Costa Support Ltd**

Following a site visit in February 2020, it was evident that there remain significant complexities regarding ownership of the Dominican Republic investments, which continue to require work by our lawyers and the local agents retained for this purpose. The administrators will only continue to pursue recoveries, where there is a net (after all costs) economic and/or commercial justification for doing so, for the benefit of creditors.

The 4 legal entities will shortly be removed from Companies House, following compulsory strike off, as they are not required to be maintained as part of the joint administrators' enquiries. These companies do not own any property assets.

Update on FS Equestrian Services Limited ('FSE') (£12.3m)

The background to the issues surrounding FSE is detailed in previous reports.

By way of reminder, due to the continued lack of cooperation from the director of FSE, LCF, as the significant creditor, petitioned for the compulsory winding up of FSE. The winding up order was granted on 27 January 2021 and the Official Receiver is now in control of FSE. Following receipt of information from the Official Receiver, it is unlikely that Colin Hardman and Finbarr O'Connell will seek an appointment as liquidators over FSE at this juncture. We will continue to monitor the position regarding FSE.

Update on London Financial Group Limited ("LFG") (£0.8m)

The joint liquidators of LFG have now concluded the winding up of this entity, with surplus funds of £130,298, after the costs of winding up, paid over to LCF, as the sole creditor of LFG. No further funds will be recovered in respect of the LFG loan.

The LFG liquidators will proceed to draw their remuneration of c. £24,000 in accordance with Schedule 11 IR16, as provided for by Rule 18.22 IR16. It is anticipated that LFG will be dissolved or nearing dissolution by the time of our next progress report.

4. Investigations

By way of reminder, as a result of the investigations undertaken by the joint administrators and their legal advisors, we have been able to issue the Main Proceedings in the total amount of £178m. Further information can be found in our previous progress report and our email to Bondholders of 17 December 2020.

In addition to the Main Proceedings, the joint administrators are continuing to explore other potential claims that can be pursued on behalf of the Company's creditors, including Bondholders. Only those claims which are anticipated to generate a significant net return to the administration estate will be pursued.

Due to legal restrictions, we are unable to share further information regarding the Main Proceedings and any potential future claims at present. However, we are confident that the proceedings entered into will allow substantial recoveries to be made which, in turn, will enable future dividends to be paid to the Company's creditors, including Bondholders/FSCS and we will provide further updates as and when we are able.

We continue to keep the Creditors' Committee, whose members remain bound by non-disclosure agreements, informed of our intended and ongoing actions.

4.1 Conflict administrator – progress on specific investigation matter

As previously disclosed, Geoffrey Paul Rowley was appointed as Conflict Administrator to the Company by the Court on 30 October 2019 as a result of matters arising in the course of the administration which could not have been reasonably foreseen when the Joint Administrators were originally appointed.

The purpose of this appointment is to undertake certain investigatory work into the Company's affairs.

The Conflict Administrator is currently limiting his investigations to one specific matter whilst maintaining a proportionate level of involvement and overview of the administration generally. The Conflict Administrator has continued to progress his investigations into this specific matter which has included requests for information from third parties, collation and processing of relevant information, and ongoing liaison with the administrators' solicitors to determine appropriate avenues of investigation and potential litigation.

Given that these investigations are ongoing and confidential, it would not be appropriate to provide further details at this stage and updates will be provided once the matter becomes public, during the relevant future reporting periods.

It should be noted that David Hudson has continued with the work disclosed in our previous report and whose time incurred on those matters is also included with the FRP Conflict Administrator team's time recording.

As with the remuneration of the S&W administrators, the remuneration of the FRP administration team will be subject to the approval of the Creditors' Committee.

4.2 HM Treasury Compensation Scheme

Details of the Scheme, which was first announced in April 2021, which have been released by HM Treasury to date, are summarised below:

- The Scheme has **not yet opened** and Bondholders are reminded to await further announcements from the Government on the next steps. (As always, we will interpret any such further announcements for the Bondholders and send our own communications to you in this regard).
- The Scheme will compensate Bondholders for 80% of their initial investment, up to a maximum of £68,000 (being 80% of the maximum FSCS compensation limit of £85,000).
- The Scheme will be available to all LCF Bondholders who have not already received compensation from the FSCS.
- The Scheme will be administered by the FSCS which is committed to ensuring that payments are made to all eligible Bondholders within 6 months of the legislation passing through Parliament. Legislation is expected to be passed through Parliament later this year, potentially in October or November 2021.
- Bondholders will not need to use a claims' management company, solicitor, or any other organisation to help them claim.
- Where Bondholders have received coupon payments from LCF (when trading), or a distribution from the administrators, these amounts will be deducted from the compensation payable under the Scheme.

HM Treasury is currently taking the necessary steps to implement the Scheme and the relevant Bill has been presented to Parliament in order to become law. The current version of the Bill can be found here: <https://bills.parliament.uk/bills/2863>, along with further information on how a Bill becomes law.

Information regarding the Scheme can be found in our prior Bondholder communications and on HM Treasury's webpage available at: <https://www.gov.uk/government/publications/london-capital-finance-compensation-scheme>.

Please be aware that the joint administrators play no part in determining which Bondholders are compensated or to what extent and we do not have a role in the operation of the Scheme. Consequently, we are unable to answer questions beyond the information that has already been made public, such as, how the Scheme will operate? Or, the timing of any compensation payments to Bondholders? However, we will continue to provide updates on this matter to the Bondholders as and when they become available from either HM Treasury or the FSCS.

4.3 FCA - complaints

The FCA has released a statement, which confirms their broad approach to assessing complaints made to the FCA in relation to LCF, which can be found here:

<https://www.fca.org.uk/news/statements/fca-sets-out-broad-approach-assessing-lcf-complaints>.

4.4 SFO

The joint administrators continue to assist the SFO with their information requests.

The SFO and FCA have previously requested that members of the public who have invested with LCF since 2013 (originally since 2016), contact them via a secure reporting form. **Bondholders should note that this questionnaire was closed by the SFO on 31 March 2021.**

Updates in respect of the SFO's investigation can be found here: <https://www.sfo.gov.uk/cases/london-capital-finance-plc/>. The joint administrators are unable to provide any other information to Bondholders in respect of the SFO/FCA investigations, which remain separate from our own, but, clearly there is a lot of cooperation between the joint administrators, who are officers of the court, the SFO and the FCA.

4.5 FSCS

The joint administrators have continued to assist the FSCS with its enquiries and information gathering. The latest relevant update was issued by the FSCS on 19 April 2021 and is summarised as follows:

“We have now finished reviewing all of the evidence we received from LCF and Surge, and we have identified and contacted all LCF customers who we believe are eligible for FSCS compensation. In total, we have now paid out £57.6m to 2,871 LCF bondholders who held 3,900 LCF bonds”.

If any Bondholder believes that they have a valid claim with FSCS but haven't received any communications from the FSCS, they can send their relevant evidence to the FSCS for consideration. The full update from the FSCS, including details on how to share any relevant evidence with it, can be accessed here: <https://www.fscs.org.uk/failed-firms/lcf/>.

The joint administrators cannot assist with requests or queries regarding compensation, nor communicate with the FSCS on behalf of individual Bondholders; the joint administrators do not determine the criteria for compensation which is limited to the eligibility rules of the FSCS.

4.5.1 HMRC - ISA investors only

The joint administrators released a communication on behalf of HMRC on 19 April 2021, to Bondholders who invested in an ISA product of LCF only. This communication confirmed that any LCF ISA Bondholder who had received compensation from the FSCS may use some or all of their compensation to make a single 'defaulted investment subscription' to a new or existing ISA. This subscription will not be counted towards the £20,000 annual ISA allowance. The full communication sent on behalf of HMRC can be found here: <https://smithandwilliamson.com/media/9003/hmrc-communication-to-isa-investors-april-2021.pdf>.

All enquiries regarding HMRC's statement should be addressed to HMRC directly, using the following e-mail: savings.audit@hmrc.gsi.gov.uk. Please note that the joint administrators are unable to deal with any queries received directly.

5. Administrators' remuneration

5.1 Pre-administration costs

By way of reminder, the pre-administration costs are £253,166. The joint administrators have taken steps to seek approval for these costs from the Creditors' Committee. The joint administrators are currently in discussions with the Creditors' Committee regarding the approval of these costs.

A full breakdown of the pre-administration costs can be found in the joint administrators' Proposals dated 25 March 2019.

5.2 Administration costs

The basis of the joint administrators' remuneration has not yet been fixed. The joint administrators are currently in discussions with the Creditors Committee in order to agree the basis of their remuneration.

The administrators' time costs are:

Period	Total hours hrs	Total costs £	Average hourly rate £/hr	Fees drawn £
30 January 2019 to 29 July 2019	5,619	2,316,159	412	1,500,000*
30 July 2019 to 29 January 2020	4,036	1,362,096	337	-
30 January 2020 to 29 July 2020	3,589	1,308,274	365	-
30 July 2020 to 29 January 2021	1,352	612,371	453	-
<i>Adjusted time**</i>	52	35,532	683	-
30 January 2021 to 29 July 2021	1,201	587,943	490	-
Total	15,849	6,222,375	393	1,500,000

** Fees on-account, totalling £1,500,000 have been drawn against time costs incurred during the period from 30 January 2019 to 29 July 2019. Of these fees, £500,000 was paid in the period ending 29 July 2020 and £1,000,000 was paid in the period ending 29 January 2021.*

*** Due to a technical issue within the time reporting system, the costs for the period ended 30 January 2021 were understated by £35,533. The cumulative SIP9 report at Appendix IV reflects this amount in the total time costs.*

Attached at Appendix III is a time analysis which provides details of the activity costs incurred by staff grade during the period of this report in respect of the costs incurred by reference to time properly spent by the administrators and their staff in attending to matters arising in the administration. Details of work carried out in the period are also included in the body of this report. No fees have been drawn on account of the joint administrators' time costs during this reporting period.

Also attached at Appendix IV is a cumulative time analysis for the period from 30 January 2019 to 29 July 2021, which provides details of the administrators' time costs since appointment. A total of £1,500,000 has been drawn on account of these costs, following approval from the Creditors' Committee.

The joint administrators' costs incurred for the administration for the reporting period to 29 July 2021 are £587,943. The joint administrators' cumulative fee estimate up to the end of the third year of the administration (i.e. to 29 January 2022) is £7,741,193 and, as at 29 July 2021, cumulative costs of £6,222,375 have been incurred against this estimate as detailed in the above table. It is expected that the current estimate will be sufficient for the duration of the third year of the administration. A copy of our time cost estimate for the third year of the administration can be found at Appendix V.

An explanation of our future anticipated costs can be found in the 'Outstanding matters' section of this report. Please note that our current estimate is based on present information and may change due to unforeseen circumstances arising. Prior to drawing any additional fees, the joint administrators will seek approval from the Creditors' Committee. Fee estimates may be given up to a certain milestone or for a designated period if it is not possible to provide an accurate estimate at any given point.

Creditors should be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. Examples would include issuing and preparing the joint administrators' progress reports and dealing with the Company's tax returns.

A copy of "A Creditor's Guide to Administrator's Fees", as produced by R3, is available free on request or can be downloaded from their website as follows:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page1/administration-a-guide-for-creditors-on-insolvency-practitioner-fees/>

Details of Smith & Williamson LLP's charge out rates and policies in relation to the use of staff are provided at Appendix X. On a general note, please be aware that the charge out rates are subject to an annual review.

Finally, please note that we have no business or personal relationships with the parties who approve our fees. We have no business or personal relationships with any legal or professional advisors who provide services to the administration where the relationship could give rise to a conflict of interest.

5.3 PRDL remuneration

As detailed at section 3.2, PRDL was placed into administration in order to assist the joint administrators with their ongoing investigations. The LCF administrators have agreed to indemnify the administrators of PRDL for their fees and disbursements, to the extent that these cannot be recovered from the assets of PRDL and its subsidiaries. This indemnity extends to PRDL's pre-appointment fees and expenses.

We have provided this indemnity on the basis that the Prime Group owed LCF c.£70.m and, as administrators of LCF, we have a duty to the LCF Bondholders to pursue this debt and to recover as much of it as possible. As part of this process, we believe it is necessary to grant a proportionate indemnity to the administrators of PRDL, and its subsidiaries, for their reasonable fees and costs.

The joint administrators intend to refer the PRDL administrators' fees to the creditors' committee of LCF for consideration.

5.4 Conflict Administrator's remuneration

Basis of remuneration

The basis of the Conflict Administrator's remuneration has not yet been fixed. It is a requirement that the Creditors' Committee approve the basis upon which the Conflict Administrator's remuneration can be drawn and the Conflict Administrator will be seeking such approval in accordance with the Insolvency Rules (England and Wales) 2016, at the appropriate stage.

Time incurred

The Conflict Administrator has incurred 351.95 hours during the period from 30 January 2021 to 29 July 2021 and is summarised below:

Tasks	Total Hours
Administration and Planning	35.20
Investigation	194.25
Statutory Compliance	2.60
Asset Realisation	119.90
Total Hours	351.95

The Conflict Administrator has incurred 800.80 hours during the period from his appointment on 30 October 2019 to 29 July 2021 and this is summarised below:

Tasks	Total Hours
Administration and Planning	81.05
Investigation	513.30
Statutory Compliance	40.65
Asset Realisation	165.80
Total Hours	800.80

Fees drawn to date

To date, no fees have been paid in respect of the Conflict Administrator's work.

6. Administration expenses and loans

The tables below provide full details of our expenses incurred in the administration. Expenses are amounts properly payable by us as administrators from the estate. The tables exclude distributions to creditors. The tables also exclude any potential tax liabilities that we may need to pay as an administration expense because the amounts becoming due will depend on the position at the end of the tax accounting period.

The tables should be read in conjunction with the receipts and payments account at Appendix II which shows expenses actually paid during the period and the total paid to date.

6.1 Subcontractors

We have not utilised the services of any subcontractors in this case.

6.2 Professional advisers

On this assignment we have used the professional advisers 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 adviser/Service(s)	Basis of fee arrangement	Costs incurred in current period £	Costs paid in current period £	Total costs outstanding at period end £	Total costs paid £
Mishcon de Reya (legal advice)	Hourly rate and	955,592	Nil	3,461,491	3,017,950
	disbursements	440,412	225,737*	153,778	984,748
Farrer & Co LLP (legal advice)	Hourly rate and	5,630	5,630	-	27,115
	disbursements	245	245	-	1,575
Pinsent Masons LLP (legal advice)	Hourly rate and	14,260	14,260	-	14,260
	disbursements	-	-	-	-
Maybern Consulting Ltd	Hourly rate and	26,425	26,425	-	134,794
	disbursements	-	-	-	-
Total		1,442,564	272,297	3,615,269	4,180,442

* £52,507 of these costs were paid by LOG, on behalf of LCF. This amount will be repaid to LOG in due course.

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

MdR - MdR has assisted the joint administrators in respect of a number of work streams including pre-litigation work, forensic legal analysis, advice in respect of insurance matters and general legal advice in the administration. A full explanation of major work activities undertaken by MdR can be found at Appendix II.

MdR is regulated by the Solicitors' Regulatory Authority and has a dedicated department specialising in insolvency with experience in managing complex litigation, investigations and asset recovery cases. MdR has vast case knowledge regarding the administration and is considered the most appropriate legal advisors to continue to use going forward. Please note that MdR are also acting for the conflict administrator, as they have specific expertise in the principal matter on which the conflict administrator is currently working.

Further details of our estimated and incurred expenses can be found at Appendix XI.

Comparison to revised expenses estimate

Our current expenses estimate is for costs incurred up to 29 January 2022. Details of our original estimated and actual expenses incurred as at 29 July 2021 can be broken down as follows:

- **Legal fees** - Estimated £2,225,000, Incurred £975,482.
- **Legal disbursements** - Estimated £1,000,000, Incurred £440,657.
- **Professional advisors** - Estimated £80,000, Incurred £26,425.

Clearly, the main differences between our estimates of expenses and the expenses incurred is the phasing of certain workstreams and does not represent a saving on estimated costs.

At this juncture, the estimate for the joint administrators' expenses for the third year of the administration is expected to be sufficient.

6.3 Administrators' expenses

We have paid and/or incurred the following disbursements in the current period:

Description	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Bondholder Email Costs (MailChimp)	535	-	762
Network Internet & Telephone	1,020	-	1,836
Stationery & Postage	-	-	18
Total	1,555	-	2,616

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

Conflict Administrator's disbursements

The following Conflict Administrator's disbursements have been incurred for the period ending 29 January 2021:

Description	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Advertising	Nil	Nil	72
Bonding	Nil	Nil	18
Computer Consumables	28	Nil	597
Electronic Storage Costs	Nil	Nil	3
Total	28	Nil	690

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

Comparison to revised expenses estimate

Creditors may recall that our current expenses estimate for the joint administrators' expenses is £500. Our expenses total incurred for the first 6 months of the third year of the administration are higher than originally anticipated and going forwards the joint administrators estimate that expenses of £2,100 will be incurred.

6.4 Category 2 expenses (See Appendix X)

The following Category 2 disbursements have been incurred and/or paid in the current period:

Description	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £	Total costs paid £
Business mileage @ HMRC rates	-	-	462	-
Forensics data hosting platform	78,535	-	403,285	-
Total	78,535	-	403,747	-

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

Forensic Technology Data Storage - The Company stored a large quantity of information in an electronic format which has been imaged by Smith & Williamson LLP's forensic technology team. This includes all Company emails and information stored on internal network drives. In order to easily access and search this information, it has been stored using the Forensics team's data hosting platform. These costs are necessary as accessing the Company's data has been and will continue to be crucial to the joint administrators' investigations which in turn are expected to result in a return of funds to the Company for the benefit of its creditors.

The table at Appendix XII includes further figures regarding Category 2 expenses. Approval to recover the Category 2 expenses shown above will be sought from the creditors' committee.

Conflict administrator's category 2 expenses

The Conflict Administrator has incurred no category 2 disbursements in the current period.

Comparison to revised expenses estimate

Our expenses estimate for Category 2 expenses in the third year of the administration is £175,000. As detailed in the above table, costs of £78,535 have been incurred in the first 6 months of this estimate. The estimate for Category 2 expenses for the third year of the administration is expected to be sufficient.

6.5 Other expenses and loans

The administrators of LCF have made a loan to the administrators of the Prime Companies, as explained below.

Supplier/Service Provider	Nature of sum incurred	Loaned in current period £	Repaid in current period £	Total loan outstanding at period end £
Loan to Prime Group (including Waterside)	Loan to support trading and investigation matters	129,109	-	433,247
Total		129,109	-	433,247

Note: Total loans outstanding comprise loans made in prior periods, but not yet repaid.

Loan to the administrators of the Prime Companies - in order to maximise the value within the Prime Companies, including assessing the position in the Dominican Republic and to ensure the continuing trade of the Waterside Holiday Village, the joint administrators of LCF have funded certain essential costs. These payments are being treated as a loan, in the anticipation that funds will be repaid at such time that the relevant Prime companies make sufficient future realisations. Without this funding from LCF, the value of the Prime Companies' assets would have been significantly impacted.

Other expenses (i.e. those not detailed in the preceding sections) paid during the period covered by this report are shown in the receipts and payments summary at Appendix II. Detailed below are those expenses which we consider to be significant in the context of this case:

Supplier/Service Provider	Nature of expense incurred	Incurred in current period £	Paid in current period £	Total costs outstanding £
Datagraphic Ltd	Dividend cheques	104	104	-
Madison Pacific (Security trustee)	Time costs and Expenses	5,655 25	5,655 25	- -
Alvarez & Marsal	Fee assessor costs	47,000	47,000	-
Total		52,784	52,784	-

The table at Appendix XIII includes further figures regarding other expenses.

6.6 Policies regarding use of third parties and expense recovery

Appendix X details of Smith & Williamson LLP's policies in relation to the use of subcontractors and professional advisers, and the recovery of expenses.

7. Estimated outcome for creditors

The estimated outcome for each class of creditors is set out below.

Please note that, where creditors have submitted claims in foreign currency, they have been converted to £Sterling at the applicable rate on the 30 January 2019. If any creditor considers the rate to be unreasonable, they may apply to court for determination.

7.1 Secured creditors

GST held a debenture containing fixed and floating charges over the Company's assets. This debenture was held on trust, by GST as security trustee, on behalf of the Bondholders. The security is in respect of all assets of the Company. The debenture documentation reflects that a valid trust is in place and that the Bondholders' position is secured.

As detailed in our previous report, GST was removed as security trustee by an order of the Court and Madison Pacific Trust Limited was subsequently appointed as an independent security trustee.

For dividend purposes, the Bondholders are considered to be secured creditors.

Future Dividend Prospects for Bondholders

At the outset of the administration, it was estimated that, as a minimum, Bondholders would eventually receive back 25% of the funds invested by them. These payments to Bondholders would have taken place over a number of years and, in April 2020, the joint administrators paid a first dividend representing 2.5% of Bondholders' capital investment.

Clearly, the percentage return to the Bondholders is now going to be much higher than this percentage due to the provisions of the HM Treasury Scheme. The Scheme will compensate Bondholders for 80% of their initial investment, up to a maximum of £68,000 (being 80% of the maximum FSCS compensation limit of £85,000). Accordingly, thanks to the HM Treasury Scheme, many Bondholders who were not eligible for FSCS compensation will receive a return of 80% of their initial investment rather than the 25% initially estimated. Also, payments from the Scheme will reach Bondholders much more quickly than if they had to wait for the administrators to realise a number of highly complex assets.

The FSCS has become a subrogated creditor as regards the claims of those Bondholders that have already received compensation i.e., to that extent the FSCS will stand in those Bondholders' shoes as creditors of LCF. As such, it should be noted that the FSCS will be entitled to receive a proportionate dividend, in line with the remaining Bondholders, for the value of the compensation that it has paid out. As mentioned in the latest update from the FSCS, they now have a subrogated claim in excess of c.£57.6m..

It is expected that the FSCS will process the compensation payments to be made available from the HM Treasury Scheme and that the FSCS will also have a subrogated claim for these sums. Accordingly, following the payment of Scheme compensation, the FSCS, as a subrogated creditor, will receive the majority of the estimated minimum 25% dividend which has been referred to in previous reports.

7.2 Prescribed Part

The Company granted floating charges on 29 and 30 December 2015. Accordingly, in the event that there is net floating charge property of sufficient value, we would be required to create a Prescribed Part fund out of the Company's net floating charge property for unsecured creditors.

If there is a Prescribed Part distribution to be made, this will be distributed by the joint administrators in the administration, following the changes made by the Small Business, Enterprise and Employment Act 2015 with effect from 26 May 2015.

7.3 Ordinary preferential creditors

In accordance with the Employment Rights Act 1996, certain former members of staff were able to claim for any arrears of wages and holiday pay through the RPS. The RPS has now submitted details of its preferential claim against the Company, and we set out below a summary of ordinary preferential claims received:

Ordinary preferential creditor	Claims received £
RPS	1,073
Total	1,073

At present we do not expect that realisations will be sufficient to declare a dividend to the ordinary preferential creditors. We have not therefore taken steps to agree the ordinary preferential creditor claims.

7.4 Unsecured creditors

We have received 13 claims totalling £93,661. We anticipate that there will be insufficient realisations from the Company's assets to enable a dividend to unsecured creditors in this case, apart from via the Prescribed Part, as referred to in section 7.2.

8. Outstanding matters

The joint administrators' costs to date are £6,222,375 as detailed in section 5.2 and a fee estimate for the entire third year of the administration has been provided at Appendix V. To clarify, given the costs incurred of £6,222,375 and the predicted future costs of £1,518,818, it is expected that the administrators' fees incurred to 29 January 2022 (the end of the third year of the administration) will not exceed £7,741,193.

It should be noted that neither the basis nor quantum of the joint administrators' remuneration has yet been agreed, however, we are required to provide our fee estimates within our reports. Appendix IV provides a comparison of the fee estimate for year 3 against the actual time costs incurred.

This estimate is based on present information and may change due to unforeseen circumstances arising. In the event that the fees estimate is likely to be exceeded, the joint administrators are required to provide an update and to seek approval from the creditors' committee before drawing any additional sums. Fee estimates may be given up to a certain milestone or for a designated period if it is not possible to provide an accurate estimate at any given point.

The principal actions to be concluded in the administration are as follows:

Investigations

To avoid prejudicing the outcome of potential legal proceedings and for confidentiality reasons, the joint administrators are unable to disclose specific information in addition to those details provided within this report, at this time. It would not be appropriate for the joint administrators to provide details of their intended strategy or to identify the potential defendants as regards future actions. The majority of the investigation work in respect of the main proceedings, detailed below, has now been completed and the amount of work carried out in this category is expected to continue to decrease significantly. The work undertaken is expected to provide a material financial benefit to creditors of the Company, including Bondholders/FSCS.

Actual and potential actions

- Main Proceedings

The purpose of the proceedings is to make recoveries from the defendants of the claim for the benefit of the Company's creditors, including Bondholders/FSCS, although it should be noted that these proceedings are anticipated to be protracted. However, successful claims will provide a direct financial benefit to the

Company's creditors, including the Bondholders/FSCS. Further details regarding these proceedings can be found in our email update to Bondholders on 17 December 2020.

- Potential actions

The joint administrators are continuing to consider any additional legal actions that are available to them that will likely result in future net recoveries.

A summary of all actual and potential claims has been shared with the Creditors' Committee including an outline of the estimated costs of the work involved and these details will be provided to the wider creditor/FSCS/Bondholder group, at a later stage, for those actions pursued. The Creditors' Committee members remain bound by non-disclosure agreements.

Other matters

Other actions that remain outstanding include:

- statutory obligations, including preparing and issuing the joint administrators' progress reports;
- further dividends to the Company's creditors, including Bondholders/FSCS;
- consideration of any tax implications within the administration; and
- closure of the administration at the appropriate time.

Details of the estimated future costs of these workstreams can be found in the joint administrators' fee estimate for the third year of the administration at Appendix V.

9. Privacy and data protection

As part of our role as joint administrators, I would advise you that we may need to access and use data relating to individuals. In doing so, we must abide by data protection requirements. Information about the way that we will use and store personal data in relation to insolvency appointments can be found at:

<https://smithandwilliamson.com/rsgdpr>

If you are unable to download this, please contact my office and a hard copy will be provided free of charge. To the extent that you hold any personal data of the Company's data subjects provided to you by the Company or obtained otherwise, you must process such data in accordance with data protection legislation. Please contact us if you believe this applies.

10. Ending the administration

At the appropriate time the joint administrators will use their discretion to exit the administration by way of one of the following means:

- (i) If, having realised the assets of the Company, the joint administrators think that a distribution will be made to the unsecured creditors other than by virtue of the Prescribed Part, they may file a notice with the Registrar of Companies which will have the effect of bringing the appointment of the joint administrators to an end and will move the Company automatically into Creditors' Voluntary Liquidation ('CVL') in order that the distribution can be made, but only if they consider that the associated incremental costs of a CVL are justified. We do not anticipate that this exit route will be utilised in this administration.
- (ii) If the joint administrators have, with the permission of the court, made a distribution to unsecured creditors in addition to any Prescribed Part distribution, or they think that the Company otherwise has no property which might permit a distribution to its unsecured creditors, subject to there being a need for further investigations as described below, they will file a notice, together with their final progress report, at court and with the Registrar of Companies for the dissolution of the Company. The joint administrators will send copies of these documents to the Company and its creditors. The joint

administrators' appointment will end following the registration of the notice by the Registrar of Companies.

Administrators have the power to bring claims against former officers of the Company in respect of transactions that may have caused or exacerbated the Company's insolvency. Claims with a good prospect of success may be pursued by administrators but there may be cases where it would be more appropriate if a liquidator brought the claim or where the timeframe would not be long enough, given the maximum extension period available to administrators. The proposed exit route would, in these cases, be liquidation. It is expected that this case will follow this course, being paragraph (ii) followed by paragraph (iii), and that either the administration will continue as long as is appropriate or the Company will move from administration into liquidation in order that certain investigations can continue.

Geoff Rowley of FRP was not nominated as a potential joint liquidator of the Company when the Proposals were issued as he was only appointed as a conflict administrator by the court on 30 October 2019. However, it is envisaged that if the administration converts into a liquidation, whether a CVL or a compulsory liquidation, that an application will subsequently be made to Court for the appointment of Geoff Rowley as an additional liquidator of the Company to take on the role of a conflict liquidator, should a conflict liquidator be required.

Authorisation for the joint administrators to be discharged from liability under P98(3) of Sch B1 immediately upon their appointment as administrators ceasing to have effect will be sought from the Creditors' Committee at the appropriate time.

11. Creditors' rights

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 or otherwise with the court's permission) may request in writing that the administrators provide further information about their remuneration or expenses which have been itemised in this report.

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of this 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 (including any paid) by the administrators, as set out in this report, are excessive.

The above rights apply only to matters which have not been disclosed in previous reports.

On a general note, if you have any comments or concerns in connection with our conduct, please contact Finbarr Thomas O'Connell or Adam Henry Stephens in the first instance. If the matter is not resolved to your satisfaction, you may contact our Head of Legal by writing to 25 Moorgate, London EC2R 6AY or by telephone on 020 7131 4000.

Thereafter, if you wish to take the matter further you may contact the Insolvency Services directly via Insolvency Complaints Gateway. They can be contacted by email, telephone or letter as follows:

i) Email: insolvency.enquiryline@insolvency.gsi.gov.uk

ii) Telephone number: +44 300 678 0015

iii) Postal address: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA.

12. Next report

We are required to provide a further report on the progress of the administration within one month of the end of the next six-month period of the administration unless we have concluded matters prior to this, in which case we will write to all creditors with our final report.



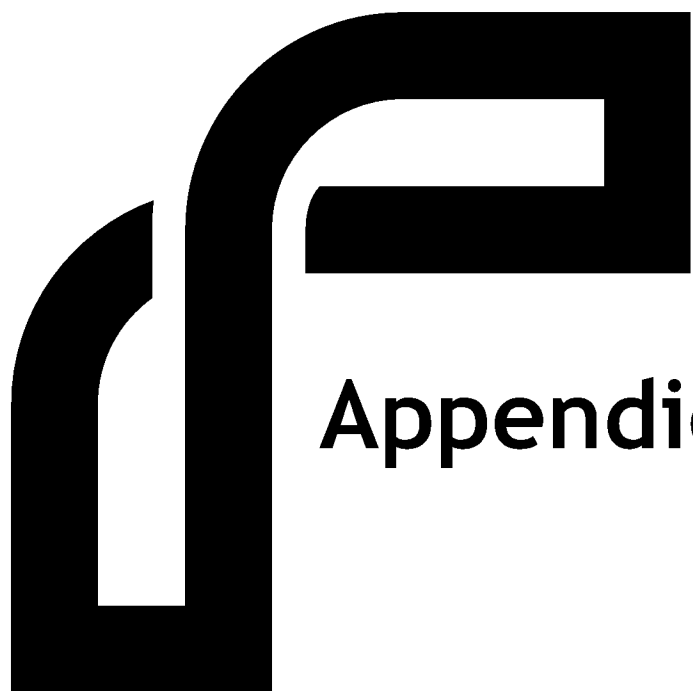
Finbarr Thomas O'Connell, Adam Henry Stephens, Colin Hardman, Henry Shinnars and Geoff Rowley

Joint Administrators

Date: 26 August 2021

The Joint Administrators of the Company are appointed to manage its affairs, business and property. They act as agents and without personal liability. All officeholders are authorised and licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.icaew.com/technical/insolvency/sips-regulations-and-guidance/insolvency-code-of-ethics>

The Joint Administrators may act as controllers of personal data, as defined by the UK data protection law, depending upon the specific processing activities undertaken. Smith and Williamson LLP may act as a processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment.



Appendices

I Statutory information

Relevant Court	High Court of Justice
Court Reference	CR-2019-000755
Trading Name(s)	London Capital & Finance
Trading Addresses	The Old Coach House, Eridge Park, Eridge Green, Tunbridge Wells, Kent, TN3 9JS
Former Name(s)	London Capital & Finance Limited
Registered Office	25 Moorgate, London EC2R 6AY
Registered Number	08140312
Joint Administrators	Finbarr Thomas O'Connell, Adam Henry Stephens, Colin Hardman and Henry Anthony Shinnars all of Smith & Williamson, 25 Moorgate, London, EC2R 6AY and Geoff Rowley of FRP Advisory Trading LLP, 110 Cannon Street, London EC4N 6EU. (IP No(s) 7931, 9748, 16774, 9280 and 8919) In accordance with P100 (2) Sch B1 1A 86 a statement has been made authorising the Joint Administrators to act jointly and severally.
Date of Appointment	30 January 2019 (Geoff Rowley was appointed as an additional adminsitator on 30 October 2019)
Appointor	Directors
Directors	Michael Andrew "Andy" Thomson, Floris Jakobus Huisamen, Kevin Maddison and Katherine Ruth Simpson
Shareholder(s)	London Financial Group Limited (owned 100% by Andy Thomson)
Secretary (if applicable)	CAA Registrars Limited
Extension to period of administration	The administration was extended by consent of the Court on 16 January 2020 for a period of up to two years ending on 29 January 2022. It is expected that a further extension from the Court will be sought during the next 6 months.

II Receipts and payments account

Receipts and payments account to 29 July 2021

Statement of Affairs £	From 30/01/2021 To 29/07/2021 £	From 30/01/2019 To 29/07/2021 £
ASSET REALISATIONS		
Bank Interest Gross	6.48	11,229.51
Cash at bank	-	3,189,912.30
Furniture & Equipment	127.12	127.12
Insurance Refund	-	7,902.72
Loan Accounts	-	100,383.28
Loan Repayment - London Financial Group	130,298.27	130,298.27
Loan Repayment - London Oil & Gas	-	10,000,000.00
Motor Vehicles	-	203,110.39
Rates Refund	-	513.40
	<u>130,431.87</u>	<u>13,643,476.99</u>
COST OF REALISATIONS		
Administrators' Fees	-	1,500,000.00
Administrators' Expenses	-	330.75
Agents/Valuers Fees	-	182,839.17
Agents/Valuers Expenses	-	3,492.39
Bank Charges	21.15	421.48
Committee Expenses	-	4,000.62
Consultant expenses	-	574.90
Fee Assessor costs	47,000.00	47,000.00
HP Finance	-	888.45
ICO Renewal	-	80.00
Insurance	-	7,571.42
Internet, Telephone Costs & Network	-	69,771.86
Irrecoverable VAT	58,898.16	1,256,942.69
Legal Fees	15,792.50	3,055,228.70
Legal Expenses	71,434.49	831,776.00
Loan to WCOL/Prime Group	129,109.29	433,247.66
Meeting costs	-	4,575.17
Other Property Expenses	-	237.50
PAYE & NI	-	245.73
Pension contributions	-	822.80
Petitioners Deposit	-	1,891.00
Professional Expenses	-	1,193.76
Professional Fees	26,425.00	210,358.75
Rates	-	1,107.02
Re-Direction of Mail	-	1,787.00
Rents Payable	-	1,666.66
Security Trustee/ Dividend costs	5,783.36	24,500.15
Specific Bond	-	140.00
Stationery & Postage	-	19,470.81
Statutory Advertising	-	169.00
Storage Costs	-	5,281.56
Transfer to LCF dividend a/c	-	5,902,219.07
Travel & Sustenance	-	15,514.94
Wages & Salaries	-	12,753.98
	<u>(354,463.95)</u>	<u>(13,598,100.99)</u>
	<u>(224,032.08)</u>	<u>45,376.00</u>
REPRESENTED BY		
Clients Deposit (Interest Bearing)		45,376.00
		<u>45,376.00</u>

Dividend Account

Statement of Affairs £	From 30/01/2021 To 29/07/2021 £	From 30/01/2019 To 29/07/2021 £
ASSET REALISATIONS		
Bank Interest Gross	13.00	2,036.44
Transfer from LCF main account	-	5,902,219.07
	<u>13.00</u>	<u>5,904,255.51</u>
DISTRIBUTIONS		
Bondholders	2,627.50	5,602,173.50
FSCS	-	77,093.07
	<u>(2,627.50)</u>	<u>(5,679,266.57)</u>
	<u>(2,614.50)</u>	<u>224,988.94</u>
REPRESENTED BY		
Clients Deposit account - Dividend A/c*		224,988.94
		<u>224,988.94</u>

* These funds are ringfenced for Bondholders yet to claim in respect of the April 2020 dividend

Notes and further information required by SIP 7

- The basis of the joint administrators' remuneration has not yet been approved.
- We have not yet drawn any other costs that would require the same approval as our remuneration.
- No payments have been made to us from outside the estate.
- Details of significant expenses paid are provided in the body of our report.
- Information concerning our remuneration and expenses incurred is provided in the body of the report.
- Information concerning the ability to challenge remuneration and expenses of the administration is provided in our report.
- All bank accounts are interest bearing.
- There are no foreign currency holdings.
- All amounts in the receipts and payments account are shown exclusive of any attributable VAT. Where VAT is not recoverable it is shown as irrecoverable VAT. LCF is not, and has never been, registered for VAT; the issuing of bonds is a non-Vatable activity and LCF did not provide any other taxable supplies. Our VAT experts have examined the position and have determined that currently there is no viable route to recovering the VAT incurred in the administration.

Notes and further information required by SIP 9

Fee Assessor Costs

Funds of £47,000 were paid to Alvarez & Marsal Europe LLP in respect of the fee assessor assignment, following the approval of the Creditors' Committee.

Agents & Professional Fees

A full breakdown of the fees incurred by the agents and professional advisors of the joint administrators can be found in section 6 of the report.

Loan to WCOL/ the Prime Companies

As detailed at section 6, the joint administrators have provided loans to the administrators of the Prime Companies, including Waterside, in order to maximise the realisable value of the assets held by these entities for the ultimate benefit of LCF's creditors.

Legal Fees

The R&P account, above, takes into account funds of £4,098 which has been repaid by the LFG liquidators in respect of petitioning creditor costs incurred by LCF.

The below is a summary of the work undertaken by MdR:

- **Investigations.** This included advice relating to gathering evidence, actions to safeguard assets, and investigating possible routes to recovery.
- **Litigation** - This included dealing with litigation issued against 15 defendants seeking to recover £178m of Bondholders' funds invested in LCF. This also included dealing with litigation brought against LCF, and the administrators of LCF, by other parties and includes time and disbursements incurred in defending these actions.
- **Forensic Analysis.** This included advice relating to structuring appropriate initial search methodologies, an initial targeted review of data, and a consideration of possible legal remedies.
- **Winding up petitions.** - This included dealing with the winding up petitions against various parties associated with LCF including LPM.
- **Regulatory.** This included advice relating to the FCA, FSCS, HM Treasury and the SFO, such as around the administrators' obligations and powers, attendance at various meetings, and a consideration of the potential claims for compensation and providing appropriate guidance to Bondholders.
- **Project and Document Management.** This included work around collecting, managing and processing data (please note that in excess of 1.5 million documents have been collected to date) pertaining to, amongst other matters, the asset realisation and investigatory work streams.
- **Miscellaneous.** This included advice relating to certain law enforcement activity.

In addition, MdR have undertaken the following tasks:

- Meetings and communications with the LCF Creditors' Committee and matters arising therefrom.
- Liaison with and meetings with Bondholders, where appropriate to the progress of the administrators' investigations and other matters.
- International legal research including with regard to Portugal (re Cape Verde), Ireland and Dominican Republic.
- Liaison with professional support teams.
- Undertaking interviews with a number of key individuals.
- Legal advice and analysis regarding application of recoveries.

Legal Expenses

A breakdown of the legal expenses paid during the period can be summarised as follows:

- **Counsel Fees - £216,114** - It has been necessary to seek advice from Counsel in respect of a number of litigation streams regarding the administration. As the majority of these costs have been incurred as a direct result of the joint administrators' investigations, it is necessary that the exact details remain confidential.
- **Agents and Professional Advisors - £6,138** - It has been necessary to instruct various agents to assist with the joint administrators' investigation as detailed within the body of this report. A number of agents and professional advisors have been instructed directly by the joint administrators' legal advisors and, as these costs have been incurred as a direct result of the joint administrators' targeted confidential investigations, it is necessary that the exact details of these agents and advisors remain confidential.
- **General Legal Disbursements - £3,731** - The joint administrators' legal advisors have necessarily incurred general disbursement costs directly related to the administration. These costs include, but are not limited to, postage and courier costs and company, Land Registry and court searches.

Please note that although the R&P shows legal expenses of £71,434 paid during the period:

- LOG has paid £152,507 towards legal disbursements of LCF during the period.
- The LFG liquidators have repaid costs of £2,041 in respect of petitioning creditors costs incurred by LCF.

III Time analysis for the period

From 30 January 2021 to 29 July 2021

Classification of work function	Hours					Total hours	Time cost	Average hourly rate
	Partner / Director	Associate director	Manager/ Assistant Manager	Other professional staff	Assistants & support staff			
Administration and planning								
Statutory returns, reports & meetings	6.95	7.80	0.00	27.28	0.00	42.03	17,917.74	426.27
Cashiering general, including bonding	0.00	1.18	0.00	21.20	0.00	22.38	6,170.75	275.69
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary	33.10	19.78	8.60	16.97	0.00	78.45	43,522.08	554.77
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)	0.25	1.25	0.00	1.08	0.00	2.58	1,221.27	472.74
Agents and advisers, general	0.50	0.00	0.00	10.45	0.00	10.95	3,646.72	333.04
Director/manager review, approval and signing	5.23	3.40	0.00	0.00	0.00	8.63	5,703.64	660.66
Other	0.10	0.00	0.00	7.83	0.00	7.93	2,534.99	319.54
Investigations								
Review of the Company's books and records	0.00	0.00	0.00	0.45	0.00	0.45	141.75	315.00
Debtor/ Loan Book and other investigations to identify asset recoveries	271.87	43.15	11.55	14.53	0.00	341.10	223,366.16	654.84
Other (including liaising with various bodies i.e. SFO, FCA, FSCS)	4.55	0.00	0.00	0.43	0.00	4.98	3,177.99	637.73
Realisation of assets								
Debtors subject to invoice discounting/factoring	0.25	0.95	0.00	2.43	0.00	3.63	1,472.52	405.27
Creditors								
Bondholders (dealing with Bondholder correspondence)	5.65	26.90	8.77	281.57	0.00	322.88	104,493.59	323.63
Employees & pension	0.00	0.75	0.00	0.00	0.00	0.75	435.00	580.00
Creditors' committee	25.85	32.90	30.32	32.32	0.00	121.38	59,443.91	489.72
Distributions for prefs and unsecured (inc. claim agreements)	0.00	0.63	1.57	11.22	0.00	13.42	4,488.05	334.51
Dealing with queries from regulatory bodies (i.e. FCA, FCSC, SFO)	13.65	0.00	0.00	2.47	0.00	16.12	10,508.51	652.03
Dealing with creditor queries (i.e. SAR requests)	0.00	0.00	0.00	4.60	0.00	4.60	1,297.00	281.96
Corporate Tax								
Corporate Tax	3.00	0.00	2.50	0.00	0.00	5.50	3,607.50	655.91
Forensics								
Forensics	40.50	0.00	107.48	45.33	0.00	193.32	94,793.49	490.35
Total	411.45	138.70	170.78	480.17	0.00	1,201.10	£587,942.67	£489.50

Explanation of major work activities undertaken

Administration and planning

The joint administrators have been required to spend a considerable amount of time in planning and administration tasks in respect of the administration strategy. Due to the scale of this case, it has been crucial to ensure that all statutory matters are dealt with efficiently and that all possible options when choosing strategy are fully explored. The joint administrators and their staff have been obliged to undertake certain areas of work in order to comply with their statutory obligations and internal compliance requirements. The following work has been conducted in respect of administration and planning:

- preparing and issuing the joint administrators' six-month progress report for the period ending 29 January 2021;
- statutory case reviews (to be completed every six months);
- maintenance of compliance checklists;
- maintenance of the IPS compliance diary;
- general case planning and administration including case strategy decisions;
- internal case staff strategy meetings/ calls;
- dealing with case progression matters;
- attending at various meetings/ calls in respect of the administration;
- internal communications with the Forensics team;
- dealing with routine correspondence;

- maintaining schedules of professional advisor costs and expenses;
- dealing with the Company's tax affairs;
- corresponding with HMRC regarding the Company's tax affairs;
- reviewing and signing off various documents and correspondence by partners, directors and managers;
- completing necessary paperwork for payment vouchers and other cashiering instruction;
- maintaining physical case files;
- dealing with and instructing agents and other professional advisers;
- dealing with the provision of various information to the FSCS, the SFO and other parties;
- responding to various press queries in respect of the progression of the administration;
- dealing with the appointment of Madison Pacific as the replacement security trustee;
- liaising with the Smith & Williamson IT department regarding the maintenance of the LCF email mailbox and webpage; and
- liaising with FRP Advisory Trading LLP regarding statutory requirements following the appointment of Geoff Rowley as conflict administrator.

Cashiering time:

- maintaining and managing the administrators' cash book and bank accounts;
- reconciliation of bank account;
- correspondence with banks; and
- raising cheques/preparing telegraphic transfers.

Investigations

This section relates to the work that the joint administrators have conducted in relation to their investigations into the failure of the Company. The joint administrators have a duty to consider any potential claims that the Company may have against third parties that may give rise to potential claims for the benefit of the Company's creditors, including the Bondholders/FSCS. Whilst it is likely that the majority of this work will provide a direct financial benefit for the Company's creditors, including the Bondholders/FSCS, some streams of the investigation work that will be, or have been, carried out are required by statute and may not necessarily provide a direct financial benefit for the Company's creditors.

The Company's largest asset is its debtor book and the joint administrators have dedicated a large quantity of time to understanding this asset in great detail. This work is not only necessary but crucial to the joint administrators' ability to determine any likely returns to the Company's creditors, including the Bondholders/FSCS. By way of reminder, the joint administrators are working to identify assets to the value of £238 million which the Company is owed by a number of entities. Dealing with assets of this value will naturally result in a significant amount of time being expended in order to ensure the best chance of recoveries. The value of the time incurred by the joint administrators during the period in dealing with this asset is 0.1% of the total debtor book value. An overview of the debts totalling £237,854,124, which the Company is due to be repaid, is detailed at Appendix VI of this report. The time expended thus far by the joint administrators has allowed them to carefully assess the recoverability of each debt which will ultimately provide a direct financial benefit to creditors, including the Bondholders/FSCS.

In addition to the above, the joint administrators have issued claims against a number of parties and details of this work is contained within this section of work undertaken. It is important to note that further detail, beyond that disclosed in this report, regarding these investigations is required to be kept confidential in order to prevent jeopardising any potential actions that can be taken on behalf of the Company's creditors, including Bondholders/FSCS.

The work which has been undertaken to maximise the potential return of the greatest proportion of the c£238m for the benefit of the creditors, including the Bondholders/FSCS, includes the following:

- dealing with the debtors of the Company;
- investigating the recoverability of each loan made by the Company, including investigations into the Borrower companies;

- monitoring the financial position of each of the debtors of the Company in order to determine their ability to settle the liability owed to the Company;
- liaising with our legal advisors in respect of the Borrower companies;
- reviewing the flow of funds from the Company to various entities;
- collating information on third parties associated with each of the debtors;
- reconciliation of the Company's bank accounts to the debtor book;
- discussions with LOG in respect of its financial arrangements with IOG;
- requests for information belonging to, or held on behalf of, the Company from various parties;
- investigating circumstances which might give rise to claims against various parties and hence potential realisations of assets for the benefit of the creditors, including the Bondholders/FSCS;
- reviewing and submitting various witness statements;
- dealing with ongoing litigation in respect of the Company;
- investigation of other potential litigation matters that may give rise to further recoveries for creditors, including Bondholders. At this juncture, it is necessary that these investigations remain confidential so as not to jeopardise any potential actions that may be taken.

Other work that the joint administrators have carried out in respect of their investigations includes the following:

- review of the Company's financial accounting records;
- making enquiries of parties associated with the Company in respect of the Company's finances and other business activities;
- tracing assets belonging to the Company, or purchased by the Company;
- tracing assets of third parties connected to the Company;
- assisting the FCA and the FSCS with their enquiries including providing information requested;
- liaising with the SFO; and
- liaising with the FCA.

A great deal of time has been expended in the early stages of the administration as it was essential that the joint administrators and their team took immediate actions to gain an in-depth understanding of the Company's asset position in order to better safeguard them from any potential dissipation. As expected, the amount of time spent on these investigations has reduced significantly in the reporting period as the administrators have a greater understanding of how the Company's loans process operated and a clearer strategy of which routes of investigation they will be pursuing.

Creditors/ Bondholders

This section is in relation to time spent in dealing with correspondence from creditors including both Bondholders and trade and expense creditors. It should be noted that at the outset of the administration there were over 11,700 Bondholders who had been affected by the administration of the Company and consequently the joint administrators and their staff have incurred a significant amount of time in dealing with a wide range of communications with Bondholders. As the FSCS continue to compensate eligible Bondholders, the number of affected individuals will fall resulting in less time spent by the joint administrators and their teams dealing with various queries Bondholders have. During the period, the costs incurred in respect of Bondholder communications works out as approximately £13 spent per Bondholder.

Whilst the bulk of this work does not provide a direct financial benefit to the Company's creditors, it is crucial that all Bondholders are kept up to date on the progress being made in the administration and, given the continuous volume of correspondence being dealt with, these costs cannot be avoided. Bondholders received a direct financial benefit from the work undertaken by the joint administrators and their team in processing the

first dividend payment. The indirect financial benefit to the creditors from this work is the assistance given to the joint administrators by the creditors/ Bondholders with regard to their investigations.

It should also be noted that, as the FSCS has compensated a large number of Bondholders, they are now a creditor of the Company and time spent liaising with them is included in this section. This section involves the following work streams:

- dealing with personal information update requests from Bondholders including email addresses and postal addresses;
- dealing with telephone calls received from Bondholders;
- drafting and issuing responses to written correspondence received from Bondholders;
- drafting and issuing responses to written correspondence received from Members of Parliament on behalf of Bondholders;
- dealing with correspondence received in respect of deceased Bondholders;
- sending physical copies of correspondence to Bondholders;
- monitoring and responding to emails received to the dedicated LCF mailbox;
- managing the MailChimp account for ease of communication to Bondholders;
- preparing updates to Bondholders and issuing these updates through the MailChimp service;
- Maintaining the RingCentral phone system used to deal with Bondholder calls;
- liaising with the FSCS in respect of Bondholder compensation;
- dealing with queries in respect of the FSCS' announcement in respect of compensation;
- liaising with the Creditors' Committee;
- planning and organising Creditors' Committee meetings;
- attending Creditors' Committee meetings;
- preparing and circulating minutes following Creditors' Committee meetings;
- liaising with the Creditors' Committee in respect of the fee assessor assignment;
- dealing with requests made by the Creditors' Committee;
- dealing with all other correspondence with the Creditors' Committee;
- continuing to adjudicate Bondholder claims received after the dividend in March 2020 (i.e. reconciling the proof of debt forms received to the Company's records);
- arranging for cheques to be reissued at the request of Bondholders, primarily for uninformed changes to address;
- preparing data for processing catch up dividends to those Bondholders who were unable to submit a proof of debt for in time for the March dividend;
- dealing with correspondence by email, telephone and physical post from Bondholders in respect of the dividend;
- dealing with requests from the FCA regarding the Dame Elizabeth Gloster report;
- dealing with queries from Bondholders in respect of the HM Treasury Scheme, SFO, FCA and other bodies.

Corporate Tax

- internal discussions with the joint administrators to develop an understanding of the case and to ensure that all potential tax liabilities are mitigated to the extent possible;
- Completing the Company's tax return for the first year of the administration.

Forensics

- maintaining the joint administrators' data hosting platform;
- mining information from the Eclipse system in order to support the joint administrators' investigations; and
- provision of information to various bodies including the SFO and conflict administrator.

IV Cumulative time analysis

From 30 January 2019 to 29 July 2021

Classification of work function	Hours					Total hours	Time cost	Average hourly rate
	Partner / Director	Associate director	Manager/ Assistant Manager	Other professional staff	Assistants & support staff			
Administration and planning								
Statutory returns, reports & meetings	202.75	30.80	103.40	217.87	14.00	568.82	261,604.98	459.91
Initial post-appointment notification letters, including creditors	13.10	0.00	7.85	5.40	0.00	26.35	13,237.00	502.35
Cashiering general, including bonding	0.85	1.18	0.00	289.65	0.00	291.68	72,336.82	248.00
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary	481.78	59.43	188.90	318.50	4.00	1,052.62	525,899.84	499.61
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)	1.10	3.10	2.00	5.48	0.00	11.68	5,005.02	428.39
Protection of company records (incl electronic)	8.15	0.00	1.25	8.10	0.00	17.50	8,034.75	459.13
Insurance & general asset protection	14.70	0.75	0.00	2.60	0.00	18.05	10,723.00	594.07
Filing, file and information management	5.70	0.00	2.25	1.50	0.00	9.45	5,062.50	535.71
Pre-appointment non creditor tax	1.60	0.00	1.75	0.00	0.00	3.35	1,852.50	552.99
Agents and advisers, general	76.70	3.50	4.25	31.47	0.00	115.92	65,179.70	562.30
Correspondence with joint liquidator	1.10	0.00	0.00	0.70	0.00	1.80	996.25	553.47
Filing - Administration and planning	0.00	0.00	0.00	0.30	0.00	0.30	87.00	290.00
Director/manager review, approval and signing	22.48	17.75	19.25	5.95	0.00	65.43	37,607.39	574.74
Other	6.90	0.00	4.50	30.58	0.00	41.98	15,264.74	363.59
Investigations								
Correspondence with directors	0.00	0.00	0.00	4.75	0.00	4.75	1,586.00	333.89
Creditor & shareholder complaints	0.00	1.75	0.75	0.00	0.00	2.50	949.00	379.60
Review of the Company's books and records	9.00	21.10	2.20	27.50	4.50	64.30	25,398.25	395.00
Debtor/ Loan Book and other investigations to identify asset recoveries	2,416.10	97.90	147.35	141.13	0.00	2,802.48	1,719,189.07	613.45
SIP2 obligations (inc liaising with the insolvency service)	11.15	0.00	4.25	13.50	0.00	28.90	12,945.00	447.92
Cash and other asset tracing	65.30	163.50	692.65	132.25	0.00	1,053.70	434,928.00	412.76
Enquiries of advisers (including legal advisors and other professional advisors)	18.40	0.00	8.05	7.20	0.00	33.65	17,611.75	523.38
S235/6 hearings & applications	73.60	0.00	1.45	6.55	0.00	81.60	47,372.25	580.54
Director/manager review, approval and signing	0.55	6.50	0.00	0.00	0.00	7.05	3,788.00	537.30
Other (including liaising with various bodies i.e. SFO, FCA, FSCS)	28.20	0.70	25.50	12.93	0.00	67.33	34,194.79	507.84
Realisation of assets								
Debtors subject to invoice discounting/factoring	0.25	0.95	0.00	2.43	0.00	3.63	1,472.52	405.27
Debtors	24.30	0.00	0.00	18.10	0.00	42.40	19,264.25	454.35
Other chattel assets	3.75	0.00	2.00	0.85	0.00	6.60	3,050.00	462.12
Financed assets	8.25	0.00	0.00	0.75	0.00	9.00	4,920.00	546.67
Cash at Bank	0.30	0.00	3.75	2.00	0.00	6.05	2,433.25	402.19
Liaising with agents (general)	0.00	0.00	1.75	0.40	0.00	2.15	909.00	422.79
Director/manager review, approval and signing	0.50	0.00	0.00	0.00	0.00	0.50	337.50	675.00
Other	15.25	0.00	2.95	0.25	0.00	18.45	8,466.25	458.88
Trading/ Premises								
Trading on decision and day 1-3 operations	0.00	0.00	2.50	0.00	0.00	2.50	1,150.00	460.00
Purchasing/suppliers (not landlord)	2.40	0.00	0.00	0.00	0.00	2.40	1,560.00	650.00
Accounting	0.60	0.00	3.00	0.00	0.00	3.60	1,770.00	491.67
Insurances	0.00	0.00	8.00	0.00	0.00	8.00	3,698.75	462.34
Staff and payroll (inc PAYE/NIC for trading period)	0.00	0.00	0.75	1.50	0.00	2.25	735.00	326.67
Premises issues (inc landlord and site clearance)	0.00	0.00	4.50	12.25	0.00	16.75	5,275.00	314.93
Shutdown or handover	0.00	0.00	0.00	15.50	0.00	15.50	4,030.00	260.00
Other	0.00	0.00	0.60	0.35	0.00	0.95	367.00	386.32
Creditors								
Bondholders (dealing with Bondholder correspondence and queries)	201.02	88.72	488.02	1,844.17	628.52	3,250.43	955,402.06	293.93
Floating charge creditors	18.30	0.00	0.00	24.20	7.50	50.00	17,566.00	351.32
HP & lease creditors	0.00	0.00	0.00	0.85	0.00	0.85	245.00	288.24
RPO and ERA claims & tribunals	0.00	0.00	0.00	0.50	0.00	0.50	130.00	260.00
Employees & pension	1.50	0.75	0.00	18.83	0.00	21.08	6,212.99	294.69
Crown (not RPO etc)	1.40	0.00	0.00	0.75	0.00	2.15	1,105.00	513.95
Unsecured creditors	0.80	0.70	7.00	7.20	0.00	15.70	6,069.50	386.59
Creditors' committee	187.77	80.65	126.82	210.87	0.00	606.10	294,472.27	485.85
Distributions for prefs and unsecured	19.15	18.63	202.42	949.00	1,414.70	2,603.90	488,366.99	187.55
Dealing with queries from regulatory bodies (i.e. FCA, FCSC, SFO)	20.25	8.00	24.05	28.50	7.00	87.80	39,477.28	449.63
Dealing with creditor queries (i.e. SAR requests)	0.85	2.00	9.50	10.05	7.00	29.40	9,618.50	327.16
Filing- creditors	0.00	0.00	0.00	6.33	0.00	6.33	1,783.82	281.66
Director/manager review, approval and signing	0.00	0.00	18.00	2.45	0.00	20.45	9,724.25	475.51
Other	5.50	0.00	15.10	8.20	0.00	28.80	12,479.50	433.32

Prime								
Dominican Republic	92.70	6.25	0.00	5.70	0.00	104.65	67,810.25	647.97
Waterside	99.70	15.18	0.00	0.55	0.00	115.43	76,366.31	661.56
Corporate Tax								
Corporate Tax	60.93	0.40	18.33	6.75	0.00	86.42	51,840.50	599.89
Assurance & Business Services								
Assurance & Business Services	24.00	2.50	0.00	0.00	0.00	26.50	15,163.50	572.21
Forensics								
Forensics	195.00	0.00	1,181.53	903.82	0.00	2,280.35	788,249.52	345.67
Total	4,443.68	632.70	3,338.17	5,347.02	2,087.22	15,848.78	£6,222,375.37	£392.61

Time comparison

The following gives a summary of our estimated administrators' fees for the third year of the administration, provided in our previous progress report, and the actual time costs incurred for the 6 months to 29 July 2021, for ease of comparison:

Task	Estimated fees to be incurred for the third year of the administration to 29 January 2022 £	Actual Fees incurred for the third year of the administration to 29 July 2021 £
Administration and Planning	468,680	80,717.19
Investigations (including Prime)	798,625	226,686
Realisation of Assets	64,825	1,473
Creditors	542,390	180,666
Corporate Tax and VAT	23,205	3,608
Forensics	209,035	94,793
Total	2,106,760	587,943

It is expected that the administrators' fee estimate provided will be sufficient to cover the third year of the administration.

The following gives a summary of our estimated administrators' fees for the second year of the administration, provided in our previous progress report, and the actual time costs incurred for the 12 months to 29 January 2021, for ease of comparison:

Task	Estimated fees to be incurred for the second year of the administration to 29 January 2021 £	Actual Fees incurred for the second year of the administration to 29 January 2021 £
Administration and Planning	511,300	474,074
Investigations (including Prime)	1,598,775	537,460
Realisation of Assets	52,750	-
Creditors	919,200	771,927
Corporate Tax and VAT	21,250	23,318
Assurance & Business Services	6,750	537
Forensics	495,000	196,821

Task	Estimated fees to be incurred for the second year of the administration to 29 January 2021 £	Actual Fees incurred for the second year of the administration to 29 January 2021 £
Total	3,605,025	2,004,137

Details of any material differences between our original estimate and our actual fees incurred for the second year of the administration, as at 29 January 2021, can be found in our progress report for the period ending 29 January 2021.

The following gives a summary of the joint administrators costs for the first year of the administration, provided in our previous progress report, and the actual time costs incurred as at 29 January 2020 for ease of comparison:

Task	Estimated fees to be incurred for the first year of the administration to 29 January 2021 £	Actual Fees Incurred for the first year of the administration to 29 January 2020 £
Administration and Planning	596,745	468,101
Investigations	2,394,930	1,677,993
Realisation of Assets	312,330	39,380
Trading	30,615	18,586
Creditors	746,790	890,059
Corp Tax and VAT	36,170	24,916
Assurance & Business Services	22,700	14,626
Forensics	329,020	496,635
Total	4,469,300	3,630,296

Details of any material differences between our original estimate and our actual fees incurred for the first year of the administration, as at 29 January 2020, can be found in our progress report for the period ending 29 January 2020.

V Fee Estimate for the year 30 January 2021 to 29 January 2022

	Hours					Total hours	Time cost	Average hourly rate
	Partner / Director	Associate Director	Manager / Assistant Manager	Other professional staff	Assistants & support staff			
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Classification of work function								
Administration and planning	340.50	191.00	0.00	365.00	9.00	905.50	468,680.00	517.59
Statutory returns, reports & meetings	75.00	63.00	0.00	90.00	2.00	230.00	£118,400.00	£514.78
Cashiering general, including bonding	1.00	2.00	0.00	154.00	0.00	157.00	£50,380.00	£320.89
Job planning, reviews and progression (inc 6 month reviews and planning meetings)	237.00	95.00	0.00	85.00	2.00	419.00	£250,405.00	£597.63
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)	3.00	5.00	0.00	5.00	0.00	13.00	£6,605.00	£508.08
Agents and advisers, general	12.50	15.00	0.00	20.00	0.00	47.50	£23,875.00	£502.63
Correspondence with joint liquidator	5.00	4.00	0.00	4.00	0.00	13.00	£7,130.00	£548.46
Filing - Administration and planning	0.00	0.00	0.00	5.00	5.00	10.00	£2,225.00	£222.50
Director/manager review, approval and signing	5.00	5.00	0.00	0.00	0.00	10.00	£6,450.00	£645.00
Other	2.00	2.00	0.00	2.00	0.00	6.00	£3,210.00	£535.00
Investigations	629.00	271.00	0.00	163.00	5.00	1,068.00	655,765.00	614.01
Directors' correspondence	1.00	1.00	0.00	1.00	0.00	3.00	£1,605.00	£535.00
Statutory books and accounting records review	5.00	5.00	0.00	9.00	5.00	24.00	£9,935.00	£413.96
Borrowers/ Loan Book and other investigations to identify asset recoveries	525.00	95.00	0.00	85.00	0.00	705.00	£454,625.00	£644.86
Cash and other asset tracing	65.00	145.00	0.00	45.00	0.00	255.00	£144,425.00	£566.37
Enquiries of advisers	15.00	10.00	0.00	8.00	0.00	33.00	£18,970.00	£574.85
Other (including liaising with various bodies i.e. SFO, FCA, FSCS)	18.00	15.00	0.00	15.00	0.00	48.00	£26,205.00	£545.94
Realisation of assets	60.00	28.00	0.00	19.00	0.00	107.00	64,825.00	605.84
Debtors	35.00	10.00	0.00	5.00	0.00	50.00	£32,225.00	£644.50
Liasining with agents (general)	15.00	10.00	0.00	8.00	0.00	33.00	£18,970.00	£574.85
Other	10.00	8.00	0.00	6.00	0.00	24.00	£13,630.00	£567.92
Creditors	170.00	322.00	2.00	732.00	26.00	1,252.00	542,390.00	433.22
Bondholders	25.00	125.00	2.00	475.00	20.00	647.00	243,445.00	376.27
Unsecured creditors	4.00	4.00	0.00	5.00	1.00	14.00	6,865.00	490.36
Creditors' committee	98.00	95.00	0.00	95.00	0.00	288.00	154,605.00	536.82
Distributions	25.00	75.00	0.00	125.00	5.00	230.00	101,275.00	440.33
Dealing with creditor queries in relation to regulatory bodies (i.e. FCA, FCSC, SFO)	15.00	20.00	0.00	28.00	0.00	63.00	31,070.00	493.17
Dealing with creditor queries (i.e. SAR requests)	2.00	2.00	0.00	3.00	0.00	7.00	3,525.00	503.57
Other	1.00	1.00	0.00	1.00	0.00	3.00	1,605.00	535.00
Prime	157.00	40.00	0.00	26.00	0.00	223.00	142,860.00	640.63
Dominican Republic	72.00	15.00	0.00	8.00	0.00	95.00	£62,340.00	656.21
Prime	85.00	25.00	0.00	18.00	0.00	128.00	£80,520.00	629.06
Corporate Tax	18.00	0.00	15.00	10.00	0.00	43.00	23,205.00	539.65
Corporate Tax	18.00	0.00	15.00	10.00	0.00	43.00	23,205.00	539.65
Forensics	76.00	0.00	195.00	190.00	5.00	466.00	209,035.00	448.57
Forensics	76.00	0.00	195.00	190.00	5.00	466.00	209,035.00	448.57
Total	1,544.50	852.00	422.00	1,705.00	50.00	4,573.50	£2,106,760.00	£460.65

London Capital & Finance plc (in administration)
Estimated expenses in accordance with Categories 1 & 2 (SIP 9) and payable to third parties *

Case specific costs - where applicable

Agents' fees	£80,000.00
Agent's expenses	£6,000.00
Legal fees	£2,225,000.00
Legal expenses	£1,000,000.00
Other costs (i.e. mail redirection and other similar costs)	£500.00
Security trustee fees	£7,500.00
Storage costs	£600.00
Committee expenses	£2,000.00
Irrecoverable VAT	£698,920.00
Data hosting costs*	£175,000.00
Total	£4,195,570.00

Category 1 expenses, in accordance with Statement of Insolvency Practice 9 are specific costs payable to an independent third party and relate directly to the case in question.

* These are Category 2 expenses and are payable to the office holder's firm and are shared or allocated costs, most notably business mileage and data hosting costs.

VI Loan/Borrower Position

Debtor gross loan amount as at 30 January 2019:

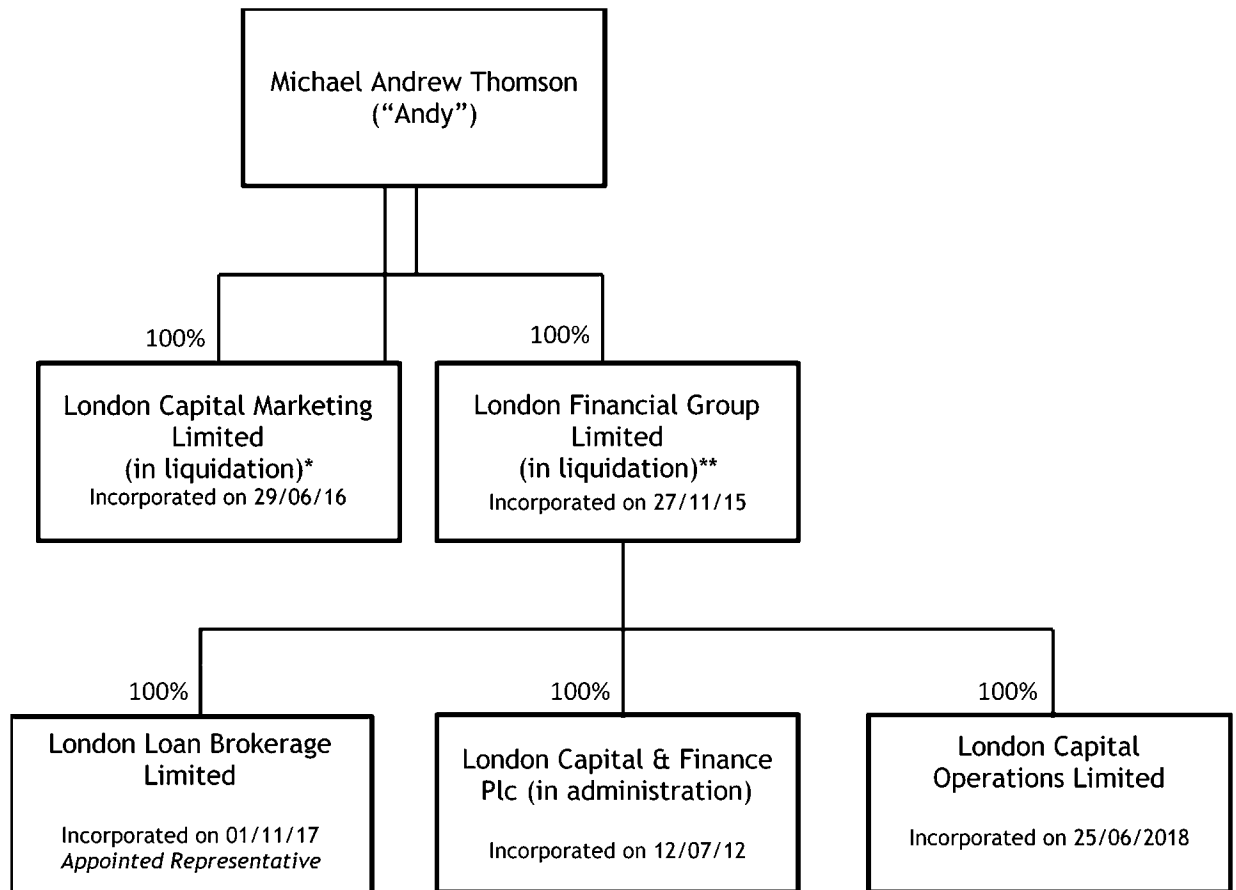
Debtor	Amount due to LCF as at 30 January 2019 (£)
London Oil & Gas Limited (in administration)	124,083,128
LPE Support Limited	18,460,382
Cape Verde Support Limited	7,268,038
CV Resorts Limited	4,796,834
Waterside Villages Limited	15,733,152
Waterside Support Limited	5,084,345
Costa Support Limited	6,603,543
Costa Property Holdings Limited	20,872,447
Colina Support Limited	5,654,890
Colina Property Holdings	16,196,319
FS Equestrian Services Limited	12,261,270
London Financial Group Limited (in liquidation)	839,776
Total	237,854,124

Debtor groups:

Controlling groups/ entities	Amount due to LCF as at 30 January 2019 (£)
London Group LLP	154,600,000
(London Oil & Gas Limited, LPE Support Limited, Cape Verde Support Limited and CV Resorts Limited)	
Prime Resort Development Limited	70,100,000
(Waterside Villages Limited, Waterside Support Limited, Costa Support Limited, Costa Property Holdings Limited, Colina Support Limited and Colina Property Holdings Limited)	
FS Equestrian Services Limited	12,300,000
London Financial Group Limited	800,000
Total	237,800,000

VII Group Structure Diagram - LCF

London Capital & Finance Plc (in administration) Group Structure



* The joint administrators issued a petition for the compulsory winding up of London Capital Marketing Limited ("LCM") on 1 July 2019. The petition was opposed by LCM, whose sole director is Mr Thomson. Following a court hearing, on 27 July 2020 a winding up order was granted and LCM entered compulsory liquidation. Finbarr O'Connell and Colin Hardman were appointed as joint liquidators of LCM on 28 August 2020.

** The joint administrators issued a petition for the compulsory winding up LFG on 24 May 2019. On 17 July 2019 the winding up order was granted and LFG entered into compulsory liquidation. On 18 September 2019, Finbarr O'Connell and Colin Hardman of Smith & Williamson LLP and Lane Bednash of CMB Partners UK Limited were appointed as joint liquidators of LFG.

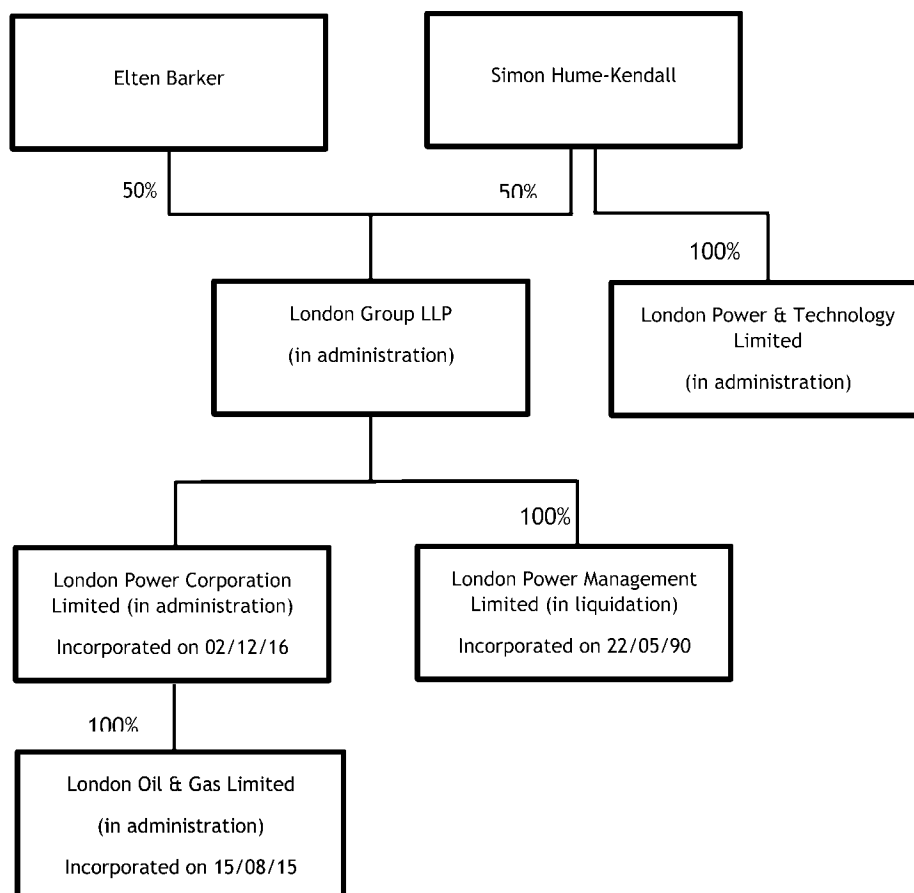
VIII Borrower schedule - London Group LLP

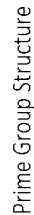
London Group loan position:

Debtor	Sum advanced (£m)
Independent Oil & Gas plc ("IOG")	34.6
London Group LLP ("LG")	32.6
London Power Corporation Ltd ("LPC")	8.3
p/f Atlantic Petroleum ("AP")	3.8
Intelligent Technology Investments Ltd ("ITI")	3.8
Total	*83.1

* Note: This sum excludes any accrued interest, costs and other charges due and payable to LOG.

London Group structure diagram:





X Staffing, charging, subcontractor and adviser policies and charge out rates

Introduction

Detailed below are:

- Smith & Williamson LLP's policies in relation to:
 - Staff allocation and the use of subcontractors
 - Professional advisers
 - Expense recovery
- Smith & Williamson LLP's current charge out rates

Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a partner and a partner or director or associate director as joint office holders, 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. The charge out rate schedule below provides details of all grades of staff and their experience level.

We may use subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required and where this will add best value and service.

Details of any subcontractors' services utilised in the period covered by this report are set out in the body of this report.

Any such arrangements will be reviewed periodically to ensure that best value and service continue to be obtained.

Use of professional advisers

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

- The industry and/or practice area expertise required to perform the required work.
- The complexity and nature of the assignment.
- The availability of resources to meet the critical deadlines in the case.
- The charge out rates or fee structures that would be applicable to the assignment.
- The extent to which we believe that the advisers in question can add best value and service to the assignment.
- The expertise and experience of the service provider;
- The provider holds appropriate regulatory authorisations; and
- The professional and ethical standards applicable to the service provider.

Arrangements will be reviewed periodically to ensure that best value and service continue to be obtained.

External professional advisers are third party entities. The insolvency practitioners and their firm do not have any association with any external provider of services and therefore they do not fall within the definition of an associate as defined in Section 435 of the Insolvency Act 1986 and in Statement of Insolvency Practice 9. Payments to external professional advisers for the services they provide are therefore not a category 2 expense as defined in Statement of Insolvency Practice 9 and therefore do not require prior approval from the committee or creditors.

Payments to associates

Smith & Williamson Employee Benefit Consultants (S&WEBC) a division of Smith & Williamson Financial Services Limited (S&WFS)

S&WFS, through its Employee Benefits Consultancy division, provides specialist advice to insolvency practitioners on their appointment as office-holders of insolvent estates in relation to all aspects of pensions. S&WFS is a company associated with Smith & Williamson LLP and may be engaged to deal with the pension affairs of insolvent estates of which insolvency practitioners from Smith & Williamson LLP are appointed office-holders.

Payments to parties in which office-holders or their firm have an interest must be disclosed to, and approved by, the committee or the creditors as a category 2 expense pursuant to Statement of Insolvency Practice 9. Consequently, details of the charge out rates for S&WFS are set out below. Fees for their services are accrued on a time costs basis.

Expenses

Category 1 expenses do not require approval by creditors. The type of expenses that may be charged as a Category 1 expense to a case generally comprise 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.

Category 2 expenses 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.

Since 7 July 2012 Smith & Williamson LLP's policy is to recover only one type of Category 2 expense, namely business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of Category 2 expenses.

Details of any Category 2 expenses incurred and/or recovered in the period covered by this report are set out in the body of this report.

Charge out rates

A schedule of Smith & Williamson LLP's charge-out rates was issued to creditors at the time of the joint administrators' proposals. The rates applicable to this appointment are set out below. Changes to the charge out rates during the period of this report were applied with effect from 1 July 2021.

Smith & Williamson LLP	
Restructuring & Recovery Services	£/hr
Charge out rates as at 1 July 2021	
Partner / Director	640 - 760
Associate Director	490 - 630
Managers	370 - 540
Other professional staff	160 - 355
Support & secretarial staff	135 - 155

Smith & Williamson LLP Restructuring & Recovery Services Charge out rates as at 1 July 2020		£/hr
Partner / Director		580-710
Associate Director		495 - 580
Managers		350-500
Other professional staff		225-580
Support & secretarial staff		130

Smith & Williamson LLP Restructuring & Recovery Services Charge out rates as at 1 July 2019		£/hr
Partner / Director		580-675
Associate Director		495 - 550
Managers		340-475
Other professional staff		225-475
Support & secretarial staff		125

Smith & Williamson LLP Restructuring & Recovery Services Charge out rates as at 1 July 2018		£/hr
Partner / Director		565-650
Associate Director		495 -525
Managers		250-365
Other professional staff		170-400
Support & secretarial staff		115

Notes

1. Up to 31 July 2020 time is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1-minute units or multiples thereof.
2. It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual cases.

3. The firm's cashiering function is centralised and London rates apply. Up to 31 January 2021 the cashiering function time is incorporated within "Other professional staff" rates. From 1 February 2021 the cashiering function time is split between "Other professional staff" and "Associate Director".

Smith & Williamson LLP	
Corporate Tax	£/hr
Charge out rates as at 1 July 2020	
Partner / Director	625-740
Associate Director	500
Managers	270-430
Other professional staff	95-230
Support & secretarial staff	65

Smith & Williamson LLP	
Forensics	£/hr
Charge out rates as at 1 July 2021	
Consulting Partner	808
Senior Managers	595
Other professional staff (including technical support)	196-408

Smith & Williamson LLP	
Forensics	£/hr
Charge out rates as at 1 July 2020	
Partner / Director	470
Associate Director	-
Managers	320-410
Other professional staff	240
Support & secretarial staff	-

XI Professional advisers

Name of professional advisor	Basis of fee arrangement	Costs outstanding from previous period £	Costs incurred in current period £	Costs paid in current period £	Total costs outstanding at period end £	Revised estimate £	Total costs incurred £	Estimate future to Jan 2022 £	Anticipated future total £	Variance to revised estimate £
MdR	Hourly rate	2,505,900	955,592	-	3,461,491	7,748,850	6,479,442	1,269,408	7,748,850	-
	and expenses	5,537	440,412	225,737	153,778	1,703,651	1,144,063	559,588	1,703,651	-
Farrer & Co LLP	Hourly rate	-	5,630	5,630	-	21,485	27,115	-	27,115	5,630
	and expenses	-	245	245	-	1,330	1,575	-	1,575	245
Pinsent Masons LLP	Hourly rate	-	14,260	14,260	-	-	14,260	-	14,260	14,260
	and expenses	-	-	-	-	-	-	-	-	-
Maybern Consulting	Hourly rate	-	26,425	26,425	-	188,369	134,794	53,575	188,369	-
	and expenses	-	-	-	-	6,444	444	6,000	6,444	-
Total		2,511,437	1,442,564	272,297	3,615,269	9,670,129	7,801,693	1,888,571	9,690,264	20,135

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

XII Category 2 expenses

Description	Costs outstanding from previous period £	Costs incurred in current period £	Costs paid in current period £	Total costs outstanding at period end £	Revised estimate £	Total costs incurred £	Estimate future to Jan 2022 £	Anticipated future total £	Variance to revised estimate £
Business mileage @ HMRC rates	462	-	-	462	462	462	-	462	-
Data hosting	324,750	78,535	-	403,285	499,750	403,285	96,465	499,750	-
Total	325,212	78,535	-	403,747	500,212	403,747	96,465	500,212	-

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

XIII Other expenses

Description	Costs outstanding from previous period £	Costs incurred in current period £	Costs paid in current period £	Total costs outstanding at period end £	Revised estimate £	Total costs incurred £	Estimate future to Jan 2022 £	Anticipated future total £	Variance to revised estimate £
Datagraphic Ltd	-	104	104	-	7,966	8,070	200	8,270	304
Madison Pacific (Security trustee)	5,655 25	5,655 25	5,655 25	- -	18,275 -	16,430 25	3,000 -	19,430 25	1,155 25
Fee assessor costs	-	47,000	47,000	-	-	47,000	20,000	67,000	67,000
Total	5,680	52,784	52,784	-	26,241	71,525	23,200	94,725	68,484

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

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Principal offices: London, Belfast, Birmingham, Bristol, Cheltenham, Dublin, Glasgow, Guildford, Jersey, Salisbury and Southampton.

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