



For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number	0	8	9	1	3	3	8	2
Company name in full	Seth Lovis & Co Solicitors Limited							

#### → 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)	Andrew
Surname	Poxon

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number	Riverside House
Street	Irwell Street
Post town	Manchester
County/Region	
Postcode	M E 5 E N
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	<sup>d</sup> 1	<sup>d</sup> 1	<sup>m</sup> 0	<sup>m</sup> 9	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
To date	<sup>d</sup> 1	<sup>d</sup> 0	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



Finbarr O'Connell (Apr 8, 2022 17:12 GMT+1)

X

Signature date

<sup>d</sup> 0	<sup>d</sup> 8	<sup>m</sup> 0	<sup>m</sup> 4	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2
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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 **Finbarr Thomas O'Connell**

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**

**All information on this form will appear on the public record.**

**Where to send**

**You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

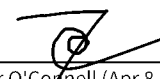
**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

**Seth Lovis & Co Solicitors Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 11/09/2021 To 10/03/2022 £	From 11/03/2019 To 10/03/2022 £
GENERAL FIXED CHARGE		
Bank Charges FCR	NIL	51.75
	NIL	(51.75)
PROPERTY & LAND		
Subject to a charge	NIL	3,900,000.00
Legal Fees	NIL	(14,870.00)
Agents Fees	NIL	(58,500.00)
Agents Disbursements	NIL	(2,711.17)
Chargeholder	(139,300.77)	(2,735,943.12)
VAT Irrecoverable FCR	NIL	(15,452.25)
	(139,300.77)	1,072,523.46
PLANT & MACHINERY		
Legal Disbursements	NIL	1,195.12
	NIL	(1,195.12)
FIXTURES & FITTINGS		
Third party interest	NIL	942,554.89
	NIL	(942,554.89)
ASSET REALISATIONS		
Bank Interest Gross	162.84	6,081.74
Cash at Bank	NIL	62,648.70
Furniture & Equipment	NIL	125.00
Prepaid disbursements	NIL	3,480.00
Receipt of client monies	NIL	78,794.50
WIP accrued on live matters	38,766.66	3,739,775.15
	38,929.50	3,890,905.09
COST OF REALISATIONS		
Agents Fees	NIL	8,940.00
Bank Charges	4.55	28.35
Collection agents fees	32,305.57	390,866.43
Consultancy Expenses	NIL	12.00
Consultancy Fees	NIL	23,931.80
Insurance of Assets	NIL	34,125.37
Legal Expenses	1,795.00	2,050.15
Legal Fees (1)	159,069.71	228,814.56
Other Property Expenses	NIL	4,341.80
Payroll - 01/03/2019	NIL	7,315.39
Payroll Agents Fees	140.00	848.40
Return of Client funds	NIL	78,794.50
Storage Costs	11,396.86	61,225.87
	(204,711.69)	(841,294.62)
	<b>(305,082.96)</b>	<b>3,178,332.17</b>
REPRESENTED BY		
Clients Deposit (Int Bearing)		3,039,308.95
VAT Payable Flt Chg		(25.00)
VAT Receivable Flt Chg		139,048.22
		<b>3,178,332.17</b>

  
 Finbarr O'Connell (Apr 8, 2022 17:12 GMT+1)

Finbarr Thomas O'Connell  
 Joint Administrator



# Seth Lovis & Co Solicitors Limited (in administration)

Joint administrators' progress report for the period from 11  
September 2021 to 10 March 2022

8 April 2022



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# 1. Glossary

Abbreviation	Description
the Company	Seth Lovis & Co Solicitors Limited
the administrators/joint administrators	Finbarr O'Connell and Andrew Poxon
SIP	Statement of Insolvency Practice (England & Wales)
Sch B1	Schedule B1 to the Insolvency Act 1986 If preceded by P this denotes a paragraph number
SOA	Statement of Affairs
EOS	Estimated Outcome Statement
CVA	Company Voluntary Arrangement
CVL	Creditors' Voluntary Liquidation
HMRC	HM Revenue & Customs
RPS	Redundancy Payments Service
Leonard Curtis / LC	Leonard Curtis Recovery Limited
Smith & Williamson	Smith & Williamson LLP
CFA	Conditional Fee Arrangement
WIP	Work In Progress
SRA	Solicitors' Regulation Authority
Recovery First	Recovery First Limited
Solicitor Manager	Andrew Gregory of Leonard Curtis Legal Limited
VFS	VFS Legal Limited
Doorway	Doorway Capital Limited
RBS	The Royal Bank of Scotland Plc

## 2. Introduction & Summary

This report provides an update on the progress in the administration of the Company for the six-month period ended 10 March 2022. It should be read in conjunction with our previous reports.

By way of reminder, I, Finbarr O'Connell of Smith & Williamson LLP, 25 Moorgate, London, EC2R 6AY was appointed joint administrator of the Company along with Julien Robert Irving of Leonard Curtis on 11 March 2019. Mr Irving ceased to act as Administrator and Andrew Poxon of Leonard Curtis assumed his position as joint administrator of the Company from 17 April 2020.

The administration process has been extended for a period of two years, up to and including 10<sup>th</sup> March 2023.

The following is a summary of the matters which have occurred & the progress which has been made during the period covered by this report.

- An additional £359,216.49 has been recovered (£4,060,224.98 in total) in respect of the Company's WIP. It is expected that the most recent extension obtained by the joint administrators will enable sufficient time for the WIP recovery exercise to be completed.
- We remain unable to determine the full and exact extent to which the secured creditors, and those creditors which may have the benefit of assigned WIP balances, will receive payments from the aforementioned realisations of WIP. As reported in the preceding progress report, the joint administrators do not anticipate there being sufficient asset realisations to declare a dividend to preferential and unsecured creditors.
- The objectives of the administration remain to (i) achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration) and, if this cannot be achieved, (ii) realise property in order to make a distribution to one or more secured or preferential creditors.
- The joint administrators are yet to agree the basis of their remuneration and accordingly the joint administrators have not drawn any fees to date. We anticipate that this will be resolved in the forthcoming period.
- As disclosed in previous reports, approval of the basis of the joint administrators' remuneration and disbursements will be sought from the secured creditors and from any creditors which have the benefit of assigned WIP balances.
- Based on estimated realisations, the joint administrators do not expect there to be funds available to make a payment to preferential creditors, thus removing the requirement for consultation with them in respect of remuneration approvals.

## 3. Progress of the administration

Attached at Appendix I is our receipts and payments account for the period from 11 September 2021 to 10 March 2022. This account includes cumulative figures for the period from 11 March 2019 to 10 March 2022.

The receipts and payments account also includes references to the directors' SOA but please note that these references, shown alongside the receipts and payments figures, are all described as 'uncertain', due to the understandable difficulty in the directors giving accurate estimated to realise values, as regards complex assets, at the time the SOA was completed.

### 3.1 WIP and accrued fees on live matters ("WIP")

Further WIP of £359,216.49 has been recovered in the period of this report (total of £4,060,224.98).

We have continued to work with Recovery First to maximise recoveries into the administration estate throughout the period.

During the period, we have consulted with Recovery First and have been advised that the total realisations are now estimated to range between £4,096,983 to £4,557,398. This represents a marginal increase from the



forecasts included in the previous progress report and does not alter the expected outcome for each class of creditor.

We remain in discussion with the Company's secured lenders, and those with an assignment of WIP balances, in order to facilitate an agreement in relation to the distribution of WIP recoveries. This has progressed during the period and we expect that an agreement will be reached within the next 3 months.

### 3.2 Bank interest

During the period covered by this report, the sum of £162.84 has been received in respect of bank interest on the funds held within the administration estate.

## 4. Administrators' remuneration

As detailed within the administrators' proposals and previous progress reports, approval of the joint administrators' remuneration will be sought from the secured creditors (and from any creditors which have the benefit of assigned WIP balances). Creditors have not established a creditors' committee in this case.

By way of a reminder, the joint administrators will seek the basis of their remuneration to be fixed by reference to time properly spent by them and their staff in attending to matters arising within the administration. In doing so, the joint administrators will share a fee estimate, as regards their work for the appropriate period, with the secured creditors, and with any creditors which have the benefit of assigned WIP balances, at the appropriate stage.

Whilst formal approval of the administrators' time costs is yet to be received, details of the time costs to date are detailed below:

Period	Total hours hrs	Total costs £	Average hourly rate £/hr	Fees drawn £
11 March 2019 to 10 September 2019 (S&W)	683.45	177,053.75	259.06	0.00
11 March 2019 to 10 September 2019 (LC)	37.90	16,179.00	426.89	0.00
11 September 2019 to 10 March 2020 (S&W)	411.30	108,871.80	264.70	0.00
11 September 2019 to 10 March 2020 (LC)	25.60	11,374.00	444.30	0.00
11 March 2020 to 10 September 2020 (S&W)	390.18	112,813.23	289.13	0.00
11 March 2020 to 10 September 2020 (LC)	20.70	8,501.50	410.70	0.00
11 September 2020 to 10 March 2021 (S&W)	243.67	68,099.41	279.48	0.00
11 September 2020 to 10 March 2021 (LC)	23.80	9,678.50	406.66	0.00
11 March 2021 to 10 September 2021 (S&W)	192.80	54,182.02	281.03	0.00
11 March 2021 to 10 September 2021 (LC)	8.10	3,130.00	386.42	0.00

Period	Total hours hrs	Total costs £	Average hourly rate £/hr	Fees drawn £
11 September 2021 to 10 March 2022 (S&W)	162.65	48,217.08	£296.45	0.00
11 September 2021 to 10 March 2022 (LC)	16.00	7,079.00	442.44	0.00
<b>Total</b>	<b>2,216.15</b>	<b>625,179.29</b>	<b>282.10</b>	<b>0.00</b>

Attached, as Appendix II, 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 fixed 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.

Also attached as Appendix III, is a cumulative time analysis for the period from 11 March 2019 to 10 March 2022 which provides details of the administrators' time costs since appointment.

The joint administrators' time costs incurred during this reporting period are £48,666.08 which represents a combination of £48,217.08 for Smith & Williamson and £7,079.00 for Leonard Curtis (as above), with £625,179.29 having now been incurred for the entirety of the administration. The split of these time costs, for the period and cumulatively, as between Smith and Williamson and Leonard Curtis, can be found at Appendices II and III.

Creditors should be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. An example would include providing information relating to the Company and its former officers as required by the Company Directors' Disqualification Act 1986.

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 and Leonard Curtis Recovery Limited's charge out rates and policies in relation to the use of staff are provided at Appendix IV.

On a general note, please be aware that the joint administrators' charge out rates are subject to an annual review.

## 5. Administration expenses

### 5.1 Subcontractors

No subcontractor costs were incurred during the period covered by this report.

### 5.2 Professional advisers

On this assignment we have used the professional advisers listed in the table at Appendix VII. We have also indicated alongside the basis of our fee arrangement with them, which is subject to review on a regular basis.

Total costs outstanding may include costs incurred in prior periods, but not yet paid. Accordingly, for details of professional adviser costs incurred outside of this reporting period, please refer to the joint administrators' earlier reports.

The fees incurred by professional advisers on this case are subject to a periodic review by the secured creditors of the Company.

### 5.3 Administrators' expenses

The table at Appendix VI provides details of expenses incurred in the current period.

For details of expenses incurred during prior periods, please refer to the joint administrators' earlier progress reports.

### 5.4 Category 2 expenses (see definition in Appendix IV)

Details of category 2 expenses incurred during this period are highlighted within the professional advisers table at Appendix VII, which shows the costs which have been incurred by Leonard Curtis Legal Limited.

### 5.5 Policies regarding use of third parties and expense recovery

Appendix IV provides details of Smith & Williamson's and Leonard Curtis's policies in relation to the use of subcontractors and professional advisers, and the recovery of expenses.

## 6. Estimated outcome for creditors

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

When it becomes clear as to how asset realisations will be allocated between the secured creditors, and those with the benefit of any assignment of WIP, an EOS will be provided. We anticipate that this will be incorporated in the next progress report.

### 6.1 Secured creditors

The administrators are yet to reach an agreement with the charge holders, being Doorway, VFS and RBS as to the allocation of the WIP recovered during the administration. It is anticipated that this will occur during the next reporting period.

For further details surrounding the specific legal charges, please refer to the joint administrators' previous reports.

### 6.2 Prescribed Part

Based on present information, we estimate the value of the Company's net floating charge property to be less than £10,000. Please be aware that this estimate is subject to change and the final outcome can only be determined once all asset realisations have been made.

Should forecasts be correct, there will be no requirement to set aside funds for unsecured creditors out of the Company's net floating charge property.

### 6.3 Preferential creditors

Based on the figures available to the joint administrators at present, it is understood that the estimated costs of dealing with assets captured under the floating charge, will outweigh any floating charge realisations. As such, it is envisaged that no funds will be available to enable a payment to be made to preferential creditors. Whilst it remains unlikely, preferential creditors will be notified if this position changes during the remainder of the administration.

### 6.4 Unsecured creditors

In the directors' SOA it was estimated that total unsecured creditor claims would be in the region of £3,500,000.

At present, we have received claims totalling £8,956,595. The joint administrators have not yet undertaken any form of adjudication process on these claims and will not do so until it is clear that an unsecured creditors' dividend will be payable.

The joint administrators are monitoring this position and will keep unsecured creditors up to date in this regard in future progress reports.

## 7. Outstanding matters

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

- Finalise the closure and archiving of all client case files.
- Finalise reporting to the SRA and assisting and dealing with any remaining requirements in relation to its ongoing regulatory work in relation to the firm.
- Assist Recovery First in pursuing all WIP / debt recoveries and take all appropriate actions as and when necessary.
- Finalise discussions with secured creditors, and with any creditors which have the benefit of assigned WIP balances, to determine the agreed distribution of funds recovered from the WIP ledger.
- Make distributions to the secured creditors, and to any creditors which have the benefit of assigned WIP balances, as appropriate.
- Discharge outstanding administration costs and expenses, in accordance with creditor approval.
- Finalise the Company's Corporation Tax and VAT affairs and obtain relevant tax clearances for the administration period, and
- Reach a decision on the appropriate exit route from the administration and implement accordingly.

## 8. 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.

## 9. Ending the administration

As detailed in the joint administrators' approved proposals, as well as earlier progress reports, the joint administrators will exercise their discretion to exit the administration by way of one of the following routes:

- (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 CVL in order that the distribution can be made, but only if they consider that the associated incremental costs of a CVL are justified. In these circumstances, the joint administrators, Finbarr O'Connell and Andrew Poxon will become the joint liquidators of the Company in the resulting CVL. The acts of the joint liquidators may be undertaken by either or both of them.
- (ii) If the joint administrators, with the permission of the court, make 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 no 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 a 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 remaining administration timeframe would not be long enough, given the maximum extension period available to administrators. The proposed exit route would, in these cases, be liquidation.

The administrators will be discharged from liability under P98(3) of Sch B1 immediately upon their appointment as administrators ceasing to have effect.

Further details surrounding the appropriate exit route will be communicated to all parties at the relevant stage.

## 10. 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 O'Connell or Andrew Poxon 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](mailto: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.

# 11. 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 O'Connell (Apr 8, 2022 17:12 GMT+1)

**Finbarr O'Connell and Andrew Poxon**

Joint Administrators

Date: 8 April 2022

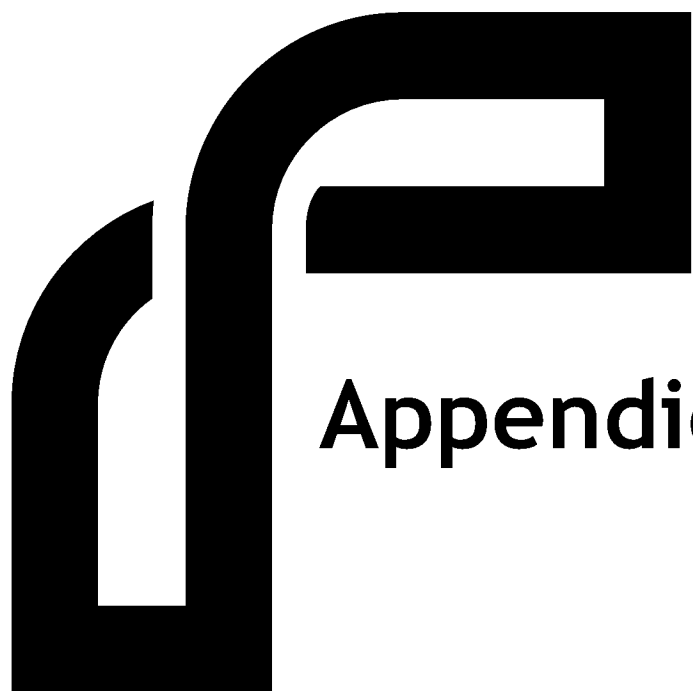
The joint administrators of the Company are appointed to manage its affairs, business and property. They act as agents and without personal liability.

Both office-holders 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 on the specific processing activities undertaken. Smith and Williamson LLP may act as a data 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 Receipts and payments account

## Receipts and payments account to 10 March 2022

Statement of Affairs		11/09/2021 to 10/03/2022	11/03/2019 to 10/03/2022
£		£	£
	GENERAL FIXED CHARGE		
	Bank Charges FCR	-	(51.75)
		-	(51.75)
	PROPERTY & LAND		
	Subject to a charge	-	3,900,000.00
	Agents Disbursements	-	(2,711.17)
	Agents Fees	-	(58,500.00)
	Chargeholder	(139,300.77)	(2,735,943.12)
	Legal Fees	-	(14,870.00)
	Third party interest funds	-	(942,554.89)
	VAT Irrecoverable FCR	-	(15,452.25)
	Legal Disbursements	-	(1,195.12)
		(139,300.77)	128,773.45
	ASSET REALISATIONS		
	Furniture & Equipment	-	125.00
Uncertain	Property at 25 John Street	-	-
Uncertain	17 John's Mews London WC1N	-	-
Uncertain	WIP / Accrued fees	359,216.49	4,060,224.98
	Receipt of client monies	-	78,794.50
Uncertain	Prepaid disbursements	-	3,480.00
	Cash at Bank	-	72,245.70
	Bank Interest Gross	162.87	6,081.74
		359,379.36	4,220,951.92
	COST OF REALISATIONS		
	Consultants Expenses	-	12.00
	Collection agents fees	42,278.22	400,839.08
	Agents Fees	-	8,940.00
	Insurance of assets	-	34,125.37
	Return of client funds	-	78,794.50
	Storage costs	11,396.86	61,225.87
	Other property expenses	-	4,341.80
	Legal Fees	159,069.71	228,814.56
	Legal expenses	1,795.00	2,050.15
	Payroll - 01/03/2019	-	7,315.39
	Payroll agents fees	140.00	848.40
	Consultancy Fees	250.00	33,528.80
	Bank charges	4.55	28.35
		(214,934.34)	(860,864.27)
		5,144.25	3,488,809.35
Uncertain	REPRESENTED BY		
	VAT Receivable Flt Chg		141,042.76
	Deposit (Int Bearing)		3,347,791.59
	VAT Payable Flt Chg		(25.00)
			3,488,809.35



## Notes and further information required by SIP 7

- The basis of the administrators' remuneration has not yet been approved.
- We have not yet sought approval of or drawn any other costs that would require the same approval as our remuneration.
- Details of significant expenses paid are provided in the body of our report.
- Details of payments made to sub-contractors are shown in the body of our report.
- Information concerning our remuneration and disbursements 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.

## Notes and further information required by SIP 9

During the period covered by this report, the costs and expenses incurred have been necessary in order for the orderly wind down of the business of the law firm and to protect the Company's primary asset, being the WIP ledger.

# II Time analysis for the period

Smith and Williamson LLP - From 11 September 2021 to 10 March 2022

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	3.50	0.00	3.55	35.10	0.00	42.15	12,766.25	302.88
Cashiering general, including bonding	1.76	1.05	2.25	6.15	0.53	11.75	3,872.34	329.66
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary	1.25	0.00	5.65	13.12	0.00	20.02	5,945.09	297.01
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)	0.00	0.00	3.80	2.40	0.00	6.20	1,921.00	309.84
Insurance & general asset protection	0.00	0.00	0.00	1.90	0.00	1.90	513.00	270.00
Filing, file and information management	0.00	0.00	1.70	47.55	0.00	49.25	12,550.50	254.83
Agents and advisors, general	0.00	0.00	0.35	0.00	0.00	0.35	117.25	335.00
Correspondence with joint liquidator	0.00	0.00	0.35	0.00	0.00	0.35	117.25	335.00
Investigations								
Statutory books and accounting records review	0.00	0.00	0.00	1.10	0.00	1.10	297.00	270.00
Realisation of assets								
Fixed charge Property	5.42	0.00	0.00	0.00	0.00	5.42	3,252.00	600.00
Debtors not financed (includes reassigned debtors)	0.00	0.00	0.55	0.73	0.00	1.28	358.91	279.68
Trading								
Creditors								
Fixed charge creditors	0.00	0.00	11.25	0.70	0.00	11.95	3,957.75	331.19
Unsecured creditors	0.00	0.00	0.00	7.40	0.00	7.40	1,886.50	254.93
Corporate Tax								
Corporate Tax	0.00	0.00	0.33	0.00	0.00	0.33	114.99	345.00
Forensics								
Forensics	0.00	0.00	0.20	3.00	0.00	3.20	547.25	171.02
Total	11.93	1.05	29.98	119.15	0.53	162.65	£48,217.08	£296.45

## Administration & Planning

This section of the analysis encompasses the costs which the administrators and their staff have incurred in order to comply with their statutory obligations, internal compliance requirements, and all tax matters. This work includes the following:

- Dealing with routine correspondence.
- Responding to routine enquiries from the Company's former clients and their new legal advisers.
- Managing the Company's archived files and investigating, recovering and returning case files to former clients when requested to do so.
- Dealing with agents on general instruction matters (i.e. not relating to the sale of assets or correspondence with advisers on investigation matters).
- Maintaining physical case files and electronic case details on IPS (case management software).
- Case reviews (including 6 month reviews).
- Case bordereau (regulatory returns) and reviews.
- Case planning; administration; and general case progression, including adjustments in joint administrators' strategy.
- Preparing reports to stakeholders.
- Maintaining and managing the administrators' cash book and bank accounts.
- Ensuring statutory lodgements and tax lodgements obligations are met.
- Dealing with internal Smith & Williamson LLP compliance requirements.

**Realisation of assets**

This section is in relation to the realisation of the remaining assets of the Company.

- Liaising with Recovery First in respect of the ongoing collections process.
- Monitoring of book debt collections.
- Exploring possible tax asset recoveries.

**Investigations / Forensics**

- Undertaking additional accounting & records review in conjunction with correspondence from creditors of the Company.
- Utilising Forensics department for electronic records review

**Creditors**

Work under this section will include correspondence, and other contact, with the creditors of the Company. The work in this regard includes the following:

- Liaising with and reporting to secured creditors and those creditors which have the benefit of assigned WIP balances
- Dealing with creditor correspondence via email and telephone.
- Preparing reports.
- Maintaining creditors' information on an insolvency database.
- Dealing with employee claims and liaising with Job Centre, Redundancy Payments Services etc.
- Making distributions to secured creditors and any creditors which have the benefit of assigned WIP balances.

## Leonard Curtis Recovery Limited - 11 September 2021 to 10 March 2022

Summary of Administrators' Time Costs from 11 September 2021 to 10 March 2022

	Director		Manager 1		Manager 2		Administrator 1		Administrator 4		Total		Average
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Hourly Rate £
Statutory and Review	18	990.00	4	166.00	8	292.00	7	206.50	7	122.50	44	1,777.00	403.86
Insurance	-	-	1	41.50	-	-	-	-	-	-	1	41.50	415.00
Assets	-	-	3	124.50	1	36.50	7	206.50	-	-	11	367.50	334.09
Liabilities	-	-	4	166.00	28	1,022.00	-	-	-	-	32	1,188.00	371.25
Debenture Holder	62	3,410.00	-	-	-	-	-	-	-	-	62	3,410.00	550.00
General Administration	-	-	-	-	-	-	3	88.50	-	-	3	88.50	295.00
Planning and Strategy	-	-	-	-	-	-	4	118.00	-	-	4	118.00	295.00
Case Specific	-	-	-	-	-	-	3	88.50	-	-	3	88.50	295.00
Total	80	4,400.00	12	498.00	37	1,350.50	24	708.00	7	122.50	160	7,079.00	
Average Hourly Rate (£)		<u>550.00</u>		<u>415.00</u>		<u>365.00</u>		<u>295.00</u>		<u>175.00</u>		<u>442.44</u>	
All Units are 6 minutes													

## DESCRIPTION OF TIME SPENT BY CATEGORY

### **Statutory and Review**

This category of activity encompasses work undertaken for both statutory and case management purposes. Whilst this work will not directly result in any monetary value for creditors, it ensures that the case is managed efficiently and resourced appropriately, which is of benefit to all creditors. The work carried out under this category during the period 11 September 2021 to March 2022 has comprised the following:

- Case management reviews. These are carried out periodically throughout the case to ensure that all statutory and best practice matters have been dealt with accordingly.
- Maintaining an Estimated Outcome Statement ("EOS") in order to comply with audit requirements;
- Liaising with Smith & Williamson with regards to the progress and conduct of the Administration;
- Completion of actions following discussions with Smith & Williamson to progress matters;
- Carrying out a handover review for cases in staff dealing with the Administration.

### **Insurance, Bonding and Pensions**

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect company assets (see bonding matters below), whilst requirements in respect of company pension schemes are there to protect the pension funds of Company employees. Whilst there is no direct financial benefit to Company creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of creditor. The work carried out under this category during the period 11 September 2021 to March 2022 has comprised the following:

- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three-month intervals in accordance with best practice.

### **Assets**

The work carried out under this category during the period 11 September 2021 to March 2022 has comprised the following:

- Liaising with Recovery First with regards to WIP realisations; and
- Liaising with Smith & Williamson in respect of the progression of remaining matters relating to the Administration.

### **Liabilities**

This category of time includes both statutory and non-statutory matters. The work carried out under this category during the period 11 September 2021 to March 2022 has comprised the following:

#### *Statutory*

- Liaising with Smith and Williamson in relation to the Joint Administrators Fifth Progress Report to Creditors;
- Preparation of the necessary appendices for inclusion in Joint Administrators Fifth Progress Report to Creditors; and
- Liaising with Secured Creditor in respect of email queries received.

#### *Non-statutory*

- Dealing with correspondence received from unsecured creditors to this office.

### **Debenture Holder**

The work carried out under this category during the period 11 September 2021 to March 2022 has comprised the following:

- Providing an update to the Secured Creditor, VFS Legal Funding, with regards to the progress of the Administration;
- Preparation for telephone conference with Secured Creditors to provide an update on the progression of matters;
- Virtual meeting with Smith & Williamson with regards to the Administration;
- Obtaining legal advice in respect of various matters relating to the realisation of remaining assets; and
- Follow up discussions with Smith & Williamson to discuss the strategy of the Administration.

### **General Administration**

The work carried out under this category during the period 11 September 2021 to March 2022 has comprised the following:

- Filing of documents and updating case systems to ensure the smooth running of the case.

### **Planning and Strategy**

The work carried out under this category during the period 11 September 2021 to March 2022 has comprised the following:

- Virtual meeting with Smith & Williamson with regarding the progression of the Administration.

# III Cumulative time analysis

Smith and Williamson LLP - From 11 March 2019 to 10 March 2022

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	15.05	0.00	49.60	113.15	0.00	177.80	51,952.00	292.19
Initial post-appointment notification letters, including creditors	0.00	0.00	0.60	1.65	0.00	2.25	558.00	248.00
Cashiering general, including bonding	6.41	1.05	12.40	44.02	6.73	70.61	22,339.24	316.36
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary	17.20	0.00	80.95	86.12	0.00	184.27	54,866.17	297.75
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)	0.50	0.00	4.50	9.20	0.00	14.20	4,077.20	287.13
Protection of company records (incl electronic)	0.00	0.00	8.45	65.97	0.00	74.42	18,117.60	243.46
Insurance & general asset protection	0.00	0.00	8.00	35.80	0.00	43.80	11,078.78	252.94
Filing, file and information management	0.00	0.00	10.45	101.88	0.00	112.33	28,167.57	250.75
Agents and advisers, general	0.00	0.00	0.35	0.85	0.00	1.20	312.75	260.63
Correspondence with joint liquidator	0.00	0.00	0.35	0.00	0.00	0.35	117.25	335.00
Filing - Administration and planning	0.00	0.00	1.30	0.75	0.00	2.05	525.00	256.10
Director/manager review, approval and signing	4.35	0.00	0.00	0.05	0.00	4.40	2,334.40	530.55
Other	1.55	0.00	29.30	1.55	0.25	32.65	10,196.00	312.28
Investigations								
Directors' correspondence & conduct questionnaires	0.00	0.00	1.25	0.00	0.00	1.25	362.50	290.00
Creditor & shareholder complaints	0.00	0.00	0.00	0.70	0.00	0.70	168.00	240.00
Statutory books and accounting records review	0.00	0.00	0.00	12.40	0.00	12.40	3,033.25	244.62
Investigation of legal claims	30.60	0.00	2.50	0.35	0.00	33.45	16,825.50	503.00
SIP2 and SIP4 obligations (inc CDDA86 forms)	0.00	0.00	2.25	2.40	0.00	4.65	1,204.50	259.03
Enquiries of advisers	0.00	0.00	0.00	0.40	0.00	0.40	96.00	240.00
Realisation of assets								
Fixed charge Property	22.67	0.00	127.55	134.20	0.00	284.42	82,752.00	290.95
Fixed charge other (e.g. chattel mortgages)	0.00	0.00	1.00	0.25	0.00	1.25	355.00	284.00
Debtors subject to invoice discounting/factoring	0.20	0.00	12.15	34.10	0.00	46.45	12,045.75	259.33
Debtors not financed (includes reassigned debtors)	13.65	0.00	6.00	44.28	0.00	63.93	19,520.91	305.33
Other chattel assets	0.00	0.00	0.00	2.15	0.00	2.15	509.75	237.09
Sale of business as a whole, including liaison with legal advisers agents etc	0.00	0.00	1.05	0.00	0.00	1.05	304.50	290.00
Completion of work in progress	0.00	0.00	0.25	0.00	0.00	0.25	72.50	290.00
Liaising with agents (general)	0.00	0.00	0.30	0.00	0.00	0.30	90.00	300.00
Director/manager review, approval and signing	0.20	0.00	0.00	0.00	0.00	0.20	88.00	440.00
Other	16.00	0.00	14.35	1.55	0.00	31.90	13,822.25	433.30
Creditors								
Fixed charge creditors	6.85	0.00	64.20	72.25	0.00	143.30	40,510.51	282.70
Floating charge creditors	2.20	0.00	6.65	3.10	0.00	11.95	3,681.00	308.03
RPO and ERA claims & tribunals	0.00	0.00	0.00	0.55	0.00	0.55	126.50	230.00
Employees & pension (other) (incl Jobcentre/CSA etc)	0.00	0.00	0.00	18.05	0.00	18.05	4,200.25	232.70
Crown (not RPO etc)	0.00	0.00	1.00	0.00	0.00	1.00	290.00	290.00
Unsecured creditors	11.08	19.50	65.55	410.85	39.43	546.42	129,453.08	236.91
Creditors' committee	0.00	0.00	2.25	1.70	0.00	3.95	1,083.00	274.18
Distributions for prefs and unsecured	0.00	0.00	0.00	1.20	0.00	1.20	288.00	240.00
Creditors (Case Specific 1)	1.15	0.00	0.00	0.00	0.00	1.15	655.50	570.00
Filing- creditors	8.00	0.00	0.00	0.45	0.00	8.45	4,433.92	524.72
Other	3.25	0.00	0.10	0.00	0.00	3.35	1,804.00	538.51
Case-Specific 3, AML/Compliance								
AML - if done post appointment	0.00	0.00	0.00	0.05	0.00	0.05	19.00	380.00
Corporate Tax								
Corporate Tax	2.10	0.00	0.33	0.17	0.00	2.60	1,405.83	540.70
Forensics								
Forensics	20.00	0.00	0.20	108.75	0.00	128.95	25,395.33	196.94
Total	183.02	20.55	515.18	1,310.88	46.42	2,076.05	569,238.29	£274.19

## Leonard Curtis Recovery Limited - 10<sup>th</sup> March 2019 to 11 March 2022

### Seth Lovis & Co Solicitors Limited (In Administration)

#### Summary of Administrators' Time Costs from 11 March 2019 to 10 March 2022

	Director		Senior Manager		Manager 1		Manager 2		Administrator 1		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory and Review	244	11,802.50	28	1,211.00	36	1,434.00	198	6,883.00	10	295.00	8	140.00	524	21,765.50	415.37
Receipts and Payments	-	-	-	-	5	182.50	6	215.00	-	-	3	49.50	14	447.00	319.29
Insurance	4	220.00	8	331.50	1	41.50	14	499.00	-	-	-	-	27	1,092.00	404.44
Assets	79	3,585.00	20	890.00	4	161.00	13	454.50	7	206.50	-	-	123	5,297.00	430.65
Liabilities	92	4,642.50	26	1,157.00	4	166.00	163	5,747.50	-	-	-	-	285	11,713.00	410.98
Debenture Holder	72	3,935.00	19	810.50	-	-	3	109.50	-	-	-	-	94	4,855.00	516.49
General Administration	13	682.50	34	1,506.00	33	1,204.50	-	-	3	88.50	4	60.00	87	3,541.50	407.07
Appointment	-	-	-	-	5	182.50	-	-	-	-	-	-	5	182.50	365.00
Planning and Strategy	57	2,992.50	-	-	-	-	5	172.50	4	118.00	-	-	66	3,283.00	497.42
Post Appointment Creds Mtngs	17	892.50	25	1,025.00	-	-	12	414.00	-	-	-	-	54	2,331.50	431.76
Case Specific	-	-	-	-	-	-	39	1,345.50	3	88.50	-	-	42	1,434.00	341.43

Total	578	28,752.50	160	6,931.00	88	3,372.00	453	15,840.50	27	796.50	15	249.50	1,321	55,942.00
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Average Hourly Rate (£)	497.45	433.19	383.18	349.68	295.00	166.33	423.48
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All Units are 6 minutes



# IV Staffing, charging, subcontractor and adviser policies and charge out rates

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## 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.

<b>S&amp;WFS Employee Benefits Consultancy</b>	<b>Per hour</b>
<b>Charge out rates from 1 August 2020</b>	<b>£</b>
Director	280-360
Associate Director	220-275
Manager	160-200
Administrator	70-110

## 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 the basis of the administrators' remuneration was approved. *[If applicable add Charge out rates for S&WFS were also provided to creditors at the time the basis of their fees was approved.]*

The rates applicable to this appointment are set out below. Changes to the charge out rates during the period of this report are applied annually with effect from 1<sup>st</sup> July.

<b>Smith &amp; Williamson LLP</b>	<b>London office</b>
<b>Restructuring &amp; Recovery Services</b>	<b>£/hr</b>
<b>Charge out rates as at 1 July 2018</b>	
Partner / Director	450-520
Associate Director	420
Managers	250-365
Other professional staff	170-320
Support & secretarial staff	90

<b>Smith &amp; Williamson LLP</b>	<b>London office</b>
<b>Restructuring &amp; Recovery Services</b>	<b>£/hr</b>
<b>Charge out rates as at 1 July 2019</b>	

Partner / Director	470-540
Associate Director	440
Managers	270-380
Other professional staff	180-380
Support & secretarial staff	100

<b>Smith &amp; Williamson LLP</b>	<b>London office</b>
<b>Restructuring &amp; Recovery Services</b>	<b>£/hr</b>
<b>Charge out rates as at 1 July 2020</b>	

Partner / Director	495-570
Associate Director	380-465
Managers	285-400
Other professional staff	125-465
Support & secretarial staff	105

<b>Smith &amp; Williamson LLP</b>	<b>London office</b>
<b>Restructuring &amp; Recovery Services</b>	<b>£/hr</b>
<b>Charge out rates as at 1 July 2021</b>	

Partner	590-610
Director & Associate Director	395-530
Managers	290-430
Other professional staff	130-280
Support & secretarial staff	100-120

### Notes

- 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'.
4. Partner includes a Consultant acting as an office-holder or in an equivalent role.

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

<b>Smith &amp; Williamson LLP</b>	<b>London office</b>
<b>Corporate Tax</b>	<b>£/hr</b>
<b>Charge out rates as at 1 July 2019</b>	
Partner / Director	575-690
Associate Director	460
Managers	245-400
Other professional staff	115-210
Support & secretarial staff	60

<b>Smith &amp; Williamson LLP</b>	<b>London office</b>
<b>Forensics</b>	<b>£/hr</b>
<b>Charge out rates as at 1 July 2019</b>	
Partner / Director	470
Associate Director	-
Managers	320-410
Other professional staff	240

Smith & Williamson LLP	London office
Forensics	£/hr
Charge out rates as at 1 July 2019	
Support & secretarial staff	-

## LEONARD CURTIS POLICY REGARDING FEES AND EXPENSES

The following Leonard Curtis policy information is considered to be relevant to creditors:

### Staff Allocation and Charge Out Rates

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by the appropriate body of creditors that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to request and obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rates given below.

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

	6 Jan 2014 onwards		1 Aug 2019 onwards		1 March 2021 onwards	
	Standard	Complex	Standard	Complex	Standard	Complex
	£	£	£	£	£	£
Director	450	562	525	656	550	688
Senior Manager	410	512	445	556	465	581
Manager 1	365	456	395	494	415	518
Manager 2	320	400	345	431	365	456
Administrator 1	260	325	280	350	295	369
Administrator 2	230	287	250	313	265	331
Administrator 3	210	262	230	288	245	306
Administrator 4	150	187	165	206	175	219
Support	0	0	0	0	0	0

In respect of assignments pre-dating 1 March 2022, office holders' remuneration may include costs incurred by the firm's in-house legal team, which may be used for non-contentious matters pertaining to the insolvency appointment.

### Use of Associates

We are required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to Associates of Leonard Curtis (LC). The term "Associate" is defined in s435 of the Insolvency Act 1986, but we are also required to consider the substance or likely perception of any association between the appointed insolvency practitioner, their firm (LC) or an individual within the firm and the recipient of a payment. Payments to Associates are subject to the same level of approval as the office holder's fees and category 2 expenses (see table on the next page for further details).

Leonard Curtis Legal Limited (LC Legal) are part of the LCBSG group: as such they are an "Associate" of LC. Where LC Legal are instructed to assist an office-holder in a particular matter from 1 March 2022 onwards, details of their proposed costs will be provided to creditors and specific approval for payments to associates will be sought.

Additionally, whilst not meeting the legal definition of "Associate" we are aware that there is a perceived association between LC and Pelstar Limited. Pelstar Limited provides insolvency case management software and document hosting facilities to LC. LC employs an individual who is married to a director of Pelstar Limited. Pelstar Limited's costs are set out in the expenses tables below.

### Use of Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

#### Use of Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

#### Categorisation of Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

Type	Description	Amount																								
AML checks via Smartsearch	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per search  Note that with effect from 1 April 2021, these costs are no longer recovered from the estate.																								
Bond / Bordereau fee via AUA Insolvency Services	Insurance bond to protect the insolvent entity against any losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches via Companies House	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting via Pelstar Limited (see Use of Associates and Category 2 expenses)	Hosting of documents via a secure portal for access by creditors/shareholders. Costs are charged per upload plus VAT and are generally dependent upon the number of creditors. The costs are commensurate with those charged by other providers of comparable services.	<table><tr><th>Type</th><th>First 100</th><th>Every addtl 10</th></tr><tr><td>ADM</td><td>£14.00</td><td>£1.40</td></tr><tr><td>CVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>MVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CPL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CVA</td><td>£10.00</td><td>£1.00</td></tr><tr><td>BKY</td><td>£10.00</td><td>£1.00</td></tr><tr><td>IVA</td><td colspan="2">£10 p.a. or £25 for life of case</td></tr></table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
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IVA	£10 p.a. or £25 for life of case																									
Software Licence fee hosting via Pelstar Limited (see Use of Associates and Category 2 expenses)	Payable to software provider for use of case management system. The costs are commensurate with those charged by other providers of comparable services.	£87.00 plus VAT per case																								
Postage via Royal Mail or Postworks	Cost of posting documents which are directly attributable to a case to external recipients	Calculated in accordance with applicable supplier rates and dependent on the number of pages and whether the document is sent by international, first or second class post.																								
Post re-direction via Royal Mail	Redirection of post from Company's premises to office-holders' address	0-3 months £216.00 3-6 months £321.00 6-12 months £519.00																								
Statutory advertising via advertising agents	Advertising of appointment, notice of meetings etc. <ul style="list-style-type: none"><li>- London Gazette</li><li>- Other</li></ul>	£91.80 - £102.00 plus VAT per advert Dependent upon advert and publication																								



Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges
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- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include but may not be restricted to:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions. Where the solicitor appointed is LC Legal, any fee payable for work completed is classed as a payment to an associate and requires specific creditor / committee approval as detailed above.	Time costs plus disbursements plus VAT
Other expenses	See Category 1 and 2 expenses notes below	See Category 1 and 2 expenses notes below

Please note that expenses are generally categorised as Category 1 or Category 2:

- a) Category 1 expenses: These are payments to independent third parties providing the service to which the expense relate. These may include, for example, advertising, external room hire, storage costs, postage costs, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 expenses may be paid without prior approval.
- b) Category 2 expenses: These are costs that are directly referable to the appointment in question, but not paid to an independent third party. They may include costs which have an element of shared cost. The following items of expenditure are recharged on this basis and are charged at HMRC approved rates:

Business mileage	45p per mile
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Payments to Associates (as defined above) are categorised by LC in the same way as Category 2 expenses. Category 2 expenses and payments to Associates may only be drawn if they have been approved in the same manner as an office holder's remuneration.

# V Leonard Curtis Recovery Limited - Privacy Notice

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## LEONARD CURTIS PRIVACY NOTICE FOR CREDITORS

### Information we collect and hold about you

By requesting details of your claim in this insolvency, we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation ('the GDPR'). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

### Legal justification for processing your Personal Data

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

### How we use your information

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity's liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

### Who we share your information with

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

### How long will we hold your Personal Data for?

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

### Your rights in respect of your Personal Data

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.

### Your right to complain

You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.

If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliffe House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

**Contacting us**

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, 5<sup>th</sup> Floor, Grove House, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: [privacy@leonardcurtis.co.uk](mailto:privacy@leonardcurtis.co.uk).

**Data Controller: LEONARD CURTIS**

## VI Expenses

Provider/ service(s)	Basis of fee arrangement	Costs incurred in current period	Costs paid in current period	Total costs outstanding at period end
		£	£	£
Peopletime Ltd (Payroll agents)	Hourly rate agreed	140.00	140.00	0.00
Access (UK) Ltd (Electronic records storage)	Fixed rate	9,318.80	9,318.80	0.00
Iron Mountain (UK) Plc	Fixed rate	2,078.06	2,078.06	0.00
<b>Total</b>		<b>11,536.86</b>	<b>11,536.86</b>	<b>0.00</b>

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

## VII Professional advisers

Name of professional advisor	Basis of fee arrangement	Costs incurred in current period £	Cumulative total £	Costs paid in current period £	Total costs outstanding at period end £
Leonard Curtis Legal (Solicitor Manager)	Hourly rate and disbursements	5,287.26	172,512.50	122,767.65	5,287.26
Leonard Curtis Legal (General Legal Advice)	Hourly rate and disbursements	13,323.76	58,097.06	38,097.06	13,323.76
Recovery First (Legal case collection agents)	Fixed rate	42,278.22	400,839.08	42,278.22	0.00
<b>Total</b>		<b>60,889.24</b>	<b>631,448.64</b>	<b>203,142.93</b>	<b>18,611.02</b>

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

\*Please note that fees incurred in relation to Leonard Curtis Legal, constitute category 2 disbursements.

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