

# WU07

## Notice of progress report in a winding-up by the court



Companies House

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

### 1 Company details

Company number	1	0	1	2	5	0	2	3
Company name in full	Pure Business Group Limited							

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

### 2 Liquidator's name

Full forename(s)	Robert John
Surname	Armstrong

### 3 Liquidator's address

Building name/number	The Shard
Street	32 London Bridge Street
Post town	London
County/Region	
Postcode	S E 1 9 S G
Country	

### 4 Liquidator's name ①

Full forename(s)	Michael Vincent
Surname	Lennon

① **Other liquidator**  
Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number	The Chancery
Street	58 Spring Gardens
Post town	Manchester
County/Region	
Postcode	M 2 1 E W
Country	

② **Other liquidator**  
Use this section to tell us about  
another liquidator.

WU07

Notice of progress report in a winding-up by the court

6

Period of progress report

From date

<sup>d</sup>

3

<sup>d</sup>

0

<sup>m</sup>

0

<sup>m</sup>

9

<sup>y</sup>

2

<sup>y</sup>

0

<sup>y</sup>

2

<sup>y</sup>

2

To date

<sup>d</sup>

2

<sup>d</sup>

9

<sup>m</sup>

0

<sup>m</sup>

9

<sup>y</sup>

2

<sup>y</sup>

0

<sup>y</sup>

2

<sup>y</sup>

3

7

Progress report



The progress report is attached

8

Sign and date

Liquidator's signature

Signature

X

*Permitting*

X

Signature date

<sup>d</sup>

2

<sup>d</sup>

8

<sup>m</sup>

1

<sup>m</sup>

1

<sup>y</sup>

2

<sup>y</sup>

0

<sup>y</sup>

2

<sup>y</sup>

3

**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 Nick Thompson

Company name Kroll Advisory Ltd.

Address The Shard

32 London Bridge Street

Post town London SE1 9SG

County/Region

Postcode

Country

DX

Telephone

+44 (0) 20 7089 4700

**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)**

# 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. ❶  
Attach this to the relevant form.  
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

❶ 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) James Andrews

Surname Saunders

## 3 Insolvency practitioner's address

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 E W

Country

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28 November 2023

# Progress Report to Creditors

**Pure Business Group Limited  
(In Compulsory Liquidation)**

*Joint Liquidators' Progress Report to Creditors  
for the period from 30 September 2022 to 29 September 2023*

**Kroll Advisory Ltd.**  
The Shard  
32 London Bridge Street  
London  
SE1 9SG

## **Contents**

1. Introduction
2. Progress of the Liquidation
3. Investigations
4. Liabilities and Dividends
5. Costs and Expenses
6. Joint Liquidators' Receipts and Payments Account
7. Statement of Creditors' Rights
8. Conclusion

## **Appendices**

1. Joint Liquidators' Receipts and Payments Account
2. Schedule of Expenses
3. Analysis of Time Charged
4. Further Information in Relation to the Joint Liquidators' Time Costs
5. Statement of Creditors' Rights
6. Definitions

## **1. Introduction**

The Company was previously in Administration, which commenced on the Administration Appointment Date. Robert Armstrong, Michael Lennon and James Saunders were previously appointed as the Former Joint Administrators.

On 30 September 2022, the Court ordered that the Administration cease to have effect pursuant to Paragraph 79 of Schedule B1 to the Act and that Robert Armstrong, Michael Lennon and James Saunders be appointed as Joint Liquidators on the same date. The move to Compulsory Liquidation was undertaken as it was deemed inappropriate to dissolve the Company at that time due to the possibility that funds may be recovered in respect of book debts and ongoing investigations.

The purpose of this progress report is to detail the Joint Liquidators' acts and dealings, together with the conduct of the Liquidation, during the Reporting Period.

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 6.

## **2. Progress of the Liquidation**

The manner in which the affairs and business of the Company have been managed and financed in the Reporting Period is set out below.

### **2.1 Transfer from Administration**

The Company's assets were dealt with by the Former Joint Administrators prior to the move from Administration to Compulsory Liquidation. Details of asset realisations in the Administration can be found in the Previous Reports.

On completion of the Administration, there was a residual cash balance in the Administration estate of £272 (plus VAT of £16,667), which was transferred to the Liquidation estate.

### **2.2 Intercompany Services**

The Company traded as part of an interconnected group and provided and received vital services to and from other entities within the Group.

To the extent possible, the Company has assisted PLL (and other entities as required) with the preservation and collection of data and other information in order to facilitate the file transfers and investigations. Where there have been insufficient funds in the Company's estate, the costs incurred in the Administration are covered by a funding agreement between Novitas, PLL, PBG and PCSS.

All costs paid from the Liquidation in excess of the liquidation estate's available funds have been funded by Novitas by it providing funding to PLL and the Company invoicing PLL for intercompany services. During the Reporting Period, PLL has advanced funds of £63,952 for Intercompany Services provided by the Company in the Liquidation.

## **2.3 Book Debts**

The Joint Liquidators provide the following update in respect of the Company's various book debts as detailed in the Previous Reports:

### **Intercompany Debtors**

The Company operated as part of the Group, which gives rise to a complex intercompany position. According to the Directors' SOA, the Company was owed a total of £11,225,808 from the Companies as at the Appointment Date.

The Companies also entered Administration on 2 November 2021, with certain entities subsequently being placed into Compulsory Liquidation, and therefore the prospects of any recovery from the Company's intercompany debtors is dependent on the Companies making a distribution to its unsecured creditors. Based on current estimates, it is understood that neither of the Companies will have insufficient funds to enable a distribution to be made to its unsecured creditors, other than potentially by virtue of the Prescribed Part.

The Joint Liquidators continue to monitor the prospects of recovery from the Companies' insolvency estates and will provide an update to creditors in the next progress report.

### **Trade and Other Debtors**

According to the Company's books and records and as stated in the Former Directors' SOA, the outstanding trade debtors due to the Company is £56,819. As detailed in the Previous Reports, the Former Joint Administrators reviewed the Company's books and records to understand this trade debtor position. This amount is subject to a bad debt provision of £34,925. The Former Joint Administrators wrote to all known trade debtors in an attempt to recover the trade debtors, however no recoveries were made in this regard and it is not expected that any will be made.

The other debtors detailed in the SOA, valued at £3,426, are understood to relate to intercompany balances. As such, the estimated to realise value is uncertain and it is to be dealt with via an intercompany waterfall, as and when PLL's WIP is realised. A further update in this regard will be provided in the Joint Liquidators' next progress report to creditors.

## **2.4 OR Winding Up Deposit Refund**

During the Reporting Period, the OR refunded the winding up deposit fee of £1,600 which was paid by the Former Joint Administrators on the Company's behalf.

## **2.5 Bank Interest**

During the Reporting Period, bank interest of £320 was realised.



### 3. Investigations

As detailed in the Previous Reports, the Former Joint Administrators reviewed the affairs of the Company to find out if there were any actions which could be taken against third parties to increase recoveries for creditors.

The Former Joint Administrators complied with their statutory duty to file a report with the DBT concerning the conduct of all directors of the Company that served in the three years prior to the Administration Appointment Date. The content of this report is confidential and has been submitted to the Insolvency Services Practitioners Compliance Unit.

The Joint Liquidators are under a duty to investigate what assets there are (including potential claims against the Directors and third parties) and what recoveries can be made. The Official Receiver also carries out investigations concerning the Directors' conduct and potential claims against them.

The Joint Liquidators concluded their investigations during the Reporting Period following a detailed investigation into the affairs of the Company. The exact nature and content of the investigations undertaken remains confidential, but all avenues have been explored and the Joint Liquidators confirm that there are no outstanding lines of enquiry.

### 4. Liabilities and Dividends

#### 4.1 Secured Creditors

##### Novitas

Novitas provided revolving credit facilities to the Group (namely PLL and PCB), three of which remain outstanding and are overdue for payment, with demand for immediate repayment having been made.

These loans, each of which expired in March/April, are summarised in the table below:

Facility	Borrower	Facility Limit	Drawn Balances as at 13 October 2021	Expiry Date
9 December 2015	PCB	£500,000	£173,144	2 April 2021
28 June 2016	PLL	£1,225,000	£1,186,955	2 April 2021
19 March 2019	PLL	£500,000	£487,500	19 March 2021
<b>Total Drawn Balance:</b>			<b>£1,847,599</b>	

In consideration for the monies advanced under these practice facilities, PLL granted Novitas debentures, which confer fixed and floating charges over all the assets of PLL on 7 July 2016 and 20 April 2018. Each of the Companies also entered into a cross-company guarantee in favour of Novitas dated 22 April 2020.

As at 13 October 2021, the total indebtedness under these loans was £1,847,599.

##### CIFL

A Coronavirus Business Interruption Loan Scheme ("CBILS") loan of £4.6 million was made available by CIFL to PBG on 16 October 2020. At the same time, and in support of PBG's obligations under the CBILS

agreement, each of the Companies entered into a cross-guarantee dated 16 October 2020. Therefore, each of the Companies including PLL, is indebted to CIFL as a director borrower or as a guarantor.

In consideration of the funds advanced under the CBILS loan to PBG, the Company secured the cross guarantee of PBG's obligations under the loan agreement by granting CIFL a debenture, which purports to confer fixed and floating charges over all of the assets of the Company to CIFL on 16 October 2020.

The Novitas and CIFL indebtedness ranks, insofar as it relates to distributions made by the Company, on a *pari passu* basis. At the present time, it is uncertain whether Novitas and CIFL will be repaid in full from realisations made across the Companies. It is anticipated that there will be insufficient realisations to enable a distribution to be made to the Secured Creditors from the Company's estate.

A further update will be provided in future reports.

#### **4.2 Preferential Creditors**

Primary Preferential Creditor claims consist of employee claims for arrears of pay (up to the statutory cap of £800) and holiday pay, the majority of which have been subrogated to BEIS following payment to the employees by the RPS. Secondary Preferential Creditor claims consist of amounts due to HMRC that were held on trust by the Companies which include claims for VAT, PAYE and employee NIC. Secondary preferential claims are paid after the primary preferential claims are settled in full.

As at the Administration Appointment Date, the Company had 59 employees, 47 of which were made redundant on the same date with the remaining 12 employees retained until later on in the process. The Joint Liquidators have received preferential claims totalling £16,980 in this regard.

The Joint Liquidators received a secondary preferential creditor claim from HMRC in the sum of £2,303,730 with respect to VAT, PAYE, income tax and employee National Insurance Contributions.

Based on current information, it is anticipated that there will be insufficient funds to pay a dividend to the Preferential Creditors.

#### **4.3 Non-Preferential Unsecured Creditors**

According to the Directors' SOA, unsecured creditors total £3,729,286. The Joint Administrators have received claims which total £1,228,253.

Based on the current information available to the Joint Administrators, it is anticipated that there will be insufficient realisations to enable a distribution to the unsecured creditors other than by virtue of the Prescribed Part.

#### **4.4 Prescribed Part**

There are insufficient realisations to enable a distribution to the unsecured creditors other than by virtue of the Prescribed Part.

The Company granted a floating charge to Novitas and CIFL on various dates and the Prescribed Part provisions will apply. However, it is currently expected that there will be insufficient floating charge net property to pay a dividend via the Prescribed Part.

If not already done so, creditors of the Company should complete the appropriate proof of debt form and return this to the Joint Liquidators at [PureLegal@Kroll.com](mailto:PureLegal@Kroll.com) or Kroll Advisory Ltd, The Shard, 32 London Bridge Street, London, SE1 9SG. Creditors should submit their claims against the specific company which incurred the debt.

## **5. Costs and Expenses**

### **5.1 Former Joint Administrators' Remuneration**

The Former Joint Administrators' basis of remuneration was approved by the Secured Creditors and the Preferential Creditors on the basis of time properly charged by them and their staff. The Former Joint Administrators' fee estimate of £227,648 was also approved by the Secured Creditors and the Preferential Creditors.

Time costs incurred during the Administration totalled £198,262, representing 659 hours at an average charge out rate of £301.

Following the move from Administration to Compulsory Liquidation, there were outstanding Administration time costs and expenses. Detailed disclosure of these expenses and the Administration time costs can be found in the Previous Reports.

During the Reporting Period, the Former Joint Administrators have drawn £26,374 in respect of their outstanding time costs.

### **5.2 Joint Liquidators' Remuneration**

As noted above, the Former Joint Administrators' remuneration was fixed on the basis of time properly charged by them and their staff, as agreed by the Secured Creditors and the Preferential Creditors via a decision procedure convened during the Administration. The basis of the Joint Liquidators' remuneration has been carried forward from the Administration.

The Joint Liquidators' fee estimated totalling £34,480 plus VAT was approved by creditors on 25 September 2023, following a decision by correspondence. Category 2 Expenses were also approved to be drawn.

#### **Time Costs**

Time has been charged in six-minute units. Details of the time charged for the Reporting Period are attached at Appendix 3.

Upon a review of our hourly rates, inflation and industry averages, the hourly charge out rates have been revised to reflect market rates. Rate changes apply to all appointments held by employees of Kroll Advisory Ltd with effect from 1 March 2023.

Time costs incurred in the Reporting Period total £37,637, which represents 105 hours at an average hourly rate of £358.

These costs have exceeded the fee estimate which was approved on 25 September 2023 and the Joint Liquidators may therefore invite creditors to approve a revised fee estimate in due course.

In accordance with SIP 9, the Joint Liquidators have provided further narrative detail of the time costs incurred at Appendix 4.

## **Fees**

The Joint Liquidators have not yet drawn any remuneration during the Reporting Period.

### **5.3 Expenses**

Expenses are any payments from the Liquidation which are neither the Joint Liquidators' remuneration, nor a distribution to a creditor or member. Expenses also include disbursements. Disbursements are payments which are first met by the Joint Liquidators and then reimbursed to the Joint Liquidators from the Liquidation estate.

Expenses are divided into those that do not need approval before they are charged to the Liquidation (Category 1 Expenses) and those that do (Category 2 Expenses).

Category 1 Expenses are payments to persons providing the service to which the expense relates who are not an associate of the Joint Liquidators.

Category 2 Expenses are payments to associates or which have an element of shared costs and require approval from creditors in the same manner as the Joint Liquidators' remuneration, whether paid directly from the estate or as a disbursement.

Details of the Joint Liquidators' expenses for the Reporting Period and Cumulative Period are attached at Appendix 2.

The Joint Liquidators have incurred Category 1 Expenses totalling £38,171 during the Reporting Period and paid £37,745 towards Category 1 Expenses during the same period. No Category 2 Expenses were incurred or paid during the Reporting Period.

## **6. Joint Liquidators' Receipts and Payments Account**

A detailed Receipts and Payments Account for the Reporting Period and the Cumulative Period is shown in Appendix 1.

## **7. Statement of Creditors' Rights**

Further information regarding the fees and expenses of the Joint Liquidators, including the rights to challenge such costs, are attached at Appendix 5.

## 8. Conclusion

The Joint Liquidators will provide a further progress report within two months of the end of the next reporting period, or earlier if the Liquidation has been completed prior to that time.

In the meantime, creditors will receive formal reports annually until the conclusion of the Liquidation. If you require any further information, please contact [PureLegal@kroll.com](mailto:PureLegal@kroll.com).



**Robert Armstrong**  
Joint Liquidator

## **Appendix 1 – The Joint Liquidators' Receipts and Payments Account**

## Pure Business Group Limited (In Compulsory Liquidation)

### Joint Liquidators' Receipts and Payment Account

	Reporting Period From 30 September 2022 to 29 September 2023 (£)
<b>Asset Realisation</b>	
Transfer from Administration	271.88
Transfer of VAT from Administration	16,666.64
Pure Legal - Intercompany Services	63,951.90
Insurance Refund	7,123.50
Bank Interest Gross	14.42
Bank Interest Net	305.14
O.R. Winding Up Deposit Refund	1,600.00
	<b>89,933.48</b>
<b>Costs of Realisation</b>	
Joint Liquidators' Remuneration	-
Joint Liquidators' Disbursements	-
Former Administrators' Remuneration	(26,373.50)
Legal Fees	(11,105.50)
Legal Disbursements	(2,949.00)
Web Hosting	(12,600.90)
ISA Cheque Fees	(1.50)
Sec of State Fees	(11,000.00)
Petitioner's Deposit	-
Bank Charges	(88.00)
	<b>(64,118.40)</b>
	<b>(128,236.80)</b>
<b>Total</b>	<b>25,815.08</b>
<b>Represented By</b>	
Floating/Main Current Account	25,815.08
<b>Total</b>	<b>25,815.08</b>

## Appendix 2 – Schedule of Expenses



Pure Business Group Limited (In Compulsory Liquidation)  
Joint Liquidators' Progress Report to Creditors  
28 November 2023

Pure Business Group Limited (In Compulsory Liquidation)  
The Joint Liquidators' Expenses for the Liquidation

					Reporting Period			
Notes	Company / Organisation	Type of Expenses	Activity	Fee Basis	Original Estimate (£)	Amount Incurred (£)	Amount Paid (£)	Variance (£)
1	Category 1 Expenses							
2	Professional Advisors							
3	DLA Piper UK LLP	Legal Fees	Legal fees, disbursements and court fees	Time costs, disbursement costs and fixed court fees	16,054.50	14,054.50	14,054.50	2,000.00
					16,054.50	14,054.50	14,054.50	2,000.00
	Other Expenses							
4	Unstuck Studio Limited (formerly Sprout Brand Partners Limited)	IT	Web hosting	As Incurred	13,570.20	12,600.90	12,600.90	969.30
5	Total Data Management Limited	Statutory Compliance	Storage Agents - To be instructed to store the Debtor's books and records as well as the Joint Liquidators' records.	Per Unit	150.00	-	-	150.00
6	AON UK Ltd	Statutory Compliance	Joint Administrators' bond premium	Per Invoice	-	-	-	-
7	Official Receiver	Statutory Compliance	The Official Receiver's general fee and Company winding up administration fee	Fixed Fee	11,000.00	11,000.00	11,000.00	-
8	Official Receiver	Asset Realisations	Bank charges incurred on the Insolvency Services Account	As Incurred	109.50	89.50	89.50	20.00
					24,829.70	23,690.40	23,690.40	1,139.30
	Disbursements							
9	Accurate Mailing Services Limited	Mailing Services	Postage costs due for the posting of statutory letters	As Incurred	322.40	322.40	-	-
10	Courts Advertising Limited	Statutory Compliance	Statutory advertising of the appointment of the Joint Liquidators in the London Gazette.	As Incurred	103.50	103.50	-	-
					425.90	425.90	-	-
	Total Category 1 Expenses				41,310.10	38,170.80	37,744.90	3,139.30
11	Category 2 Expenses							
	There are no Category 2 Expenses							
	Total Category 2 Expenses				-	-	-	-
	Total Expenses				41,310.10	38,170.80	37,744.90	3,139.30

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**Notes**

- 1 Category 1 Expenses are payments to independent third parties where the specific expenditure is directly referable to the Liquidation.
- 2 The Joint Liquidators' choice of professional advisors will be based on their perception of the experience and ability of the respective firms / individuals to perform their work, the complexity and nature of the assignment and the basis of their fees.
- 3 Solicitors to assist the Joint Liquidators with ad hoc legal advice, including appointment formalities.
- 4 Web hosting costs incurred in order to maintain the Company's information technology infrastructure for purposes of facilitating the orderly transfer of the Group's legal clients' cases to respective purchasers/panel law firms.
- 5 Books and records of the Company will be stored off site with an external provider for at least the duration of the Liquidation plus one year. In addition, it is a statutory requirement that the books and records of the Joint Liquidators must be kept for six years after the conclusion of the Liquidation. This will likely relate to the Liquidators' records only.
- 6 It is a statutory requirement for insolvency practitioners to have a bond on each case to which they are appointed. The cost is based on the value of the assets. However, the bond which was purchased during the Administration has been carried forward to the Joint Liquidators' subsequent appointment at no further cost to the Liquidation estate.
- 7 The Official Receiver's fees for placing the Company into Compulsory Liquidation include a general fee of £6,000 plus a winding up administration fee of £5,000.
- 8 All funds realised into the Liquidation estate are required to be deposited into the Insolvency Services Account ("ISA") kept by the Secretary of State. This expense indicates the bank charges, cheque and other fees incurred in respect of the ISA.
- 9 Required to print and mail circulars to creditors and members. It is more cost effective to outsource circulars to an external mailing agent.
- 10 Statutory advertising of the Joint Liquidators' appointment in the London Gazette is required under insolvency legislation.
- 11 Category 2 Expenses are costs that are directly referable to the Liquidation but not to a payment to an independent third party.

The above costs exclude VAT.

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### **Appendix 3 – Analysis of Time Charged**

Pure Business Group Limited (In Compulsory Liquidation)  
Joint Liquidators' Progress Report to Creditors  
28 November 2023

Pure Business Group Limited (In Compulsory Liquidation)

Analysis of the Joint Liquidators' Time Costs from 30 September 2022 to 29 September 2023

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case Review & Case Diary Management	0.00	1.00	3.10	3.30	0.00	7.40	2,390.00	322.97
Cashiering and Accounting	0.00	8.00	13.20	6.50	0.00	27.70	10,463.50	377.74
General Admin	0.00	2.60	0.60	4.95	0.00	8.15	2,725.00	334.36
General Correspondence	0.50	1.80	1.30	1.90	0.00	5.50	2,187.50	397.73
IPS Set Up and Maintenance	0.00	0.00	0.00	0.60	0.00	0.60	116.00	193.33
Statutory Matters (Meetings, Reports and Notices)	1.00	4.10	11.40	9.90	0.00	26.40	10,362.50	392.52
Strategy Planning and Control	0.00	2.10	6.10	0.90	0.00	9.10	3,931.50	432.03
Books and Records	0.00	0.00	0.00	0.20	0.00	0.20	38.00	190.00
General Tax Affairs	0.00	0.20	3.30	2.30	0.00	5.80	1,951.00	336.38
						<b>90.85</b>	<b>34,165.00</b>	<b>376.06</b>
<b>Creditors</b>								
Employee Matters	0.00	0.00	0.00	0.30	0.00	0.30	75.00	250.00
Preferential Creditors	0.00	0.00	0.00	0.85	0.00	0.85	147.00	172.94
Unsecured Creditors	0.00	0.30	0.30	10.60	0.00	11.20	2,369.50	211.56
						<b>12.35</b>	<b>2,591.50</b>	<b>209.84</b>
<b>Investigations</b>								
Financial Review and Investigations (S238/239 etc)	0.00	0.50	0.40	0.00	0.00	0.90	396.50	440.56
						<b>0.90</b>	<b>396.50</b>	<b>440.56</b>
<b>Realisation of Assets</b>								
Correspondence with Solicitors	0.00	0.30	0.30	0.00	0.00	0.60	313.50	522.50
Floating Charge Assets	0.00	0.00	0.30	0.00	0.00	0.30	126.00	420.00
Unencumbered Assets	0.00	0.10	0.00	0.00	0.00	0.10	44.50	445.00
						<b>1.00</b>	<b>484.00</b>	<b>484.00</b>
<b>Total Hours:</b>	<b>1.50</b>	<b>21.00</b>	<b>40.30</b>	<b>42.30</b>	<b>0.00</b>	<b>105.10</b>		<b>358.11</b>
<b>Total Time Costs Incurred (£):</b>	<b>1,177.50</b>	<b>11,295.50</b>	<b>16,042.00</b>	<b>9,122.00</b>	<b>0.00</b>		<b>37,637.00</b>	

## **Appendix 4 - Further Information in Relation to the Joint Liquidators' Time Costs**

Below are details of the work the Joint Liquidators have undertaken during the Reporting Period.

### **Administration and Planning**

The role of a Liquidator is highly regulated, being required to conform to insolvency legislation, industry best practice policies (Statement of Insolvency Practice) and relevant case law. Consequently, the Joint Liquidators are obliged to undertake many activities that do not provide a direct financial benefit to creditors.

During the Reporting Period, time costs incurred in respect of Administration and Planning total £34,165, which represents 91 hours at an average hourly rate of £376 and comprise of the following tasks:

- Complying with anti-money laundering checks, bribery act and ethical checks;
- Advertising the Liquidation appointment and notifying all relevant stakeholders;
- Setting up the Liquidation on our internal systems;
- Companies House filings;
- Performing periodic and strategic case reviews;
- Transferring the Insolvency Practitioners Bond;
- Undertaking treasury functions, in respect of receipts and payments of the Liquidation; and,
- Internal strategy discussions and meetings and completing case reviews.

The Joint Liquidators anticipate future costs in relation to Administration and Planning which will relate to ongoing strategy and planning, the preparation of statutory reports, completing case reviews every six months, dealing with tax compliance matters, outstanding cashing matters as well as time spent considering ongoing investigation and recovery strategy. This has not provided a direct benefit to creditors, however relates to time spent on matters required by statute, in accordance with insolvency legislation, as well as time spent planning the strategy for the Liquidation, to ensure the smooth running of the case.

### **Creditors**

The Joint Liquidators have incurred, and will continue to incur, time costs in dealing with correspondence and other contact with creditors. Work undertaken has included explaining the background to the Joint Liquidators' appointment and the Company's financial difficulties, as well as any other ad hoc queries regarding the Liquidation progress and handling creditor claims.

Much of this work is necessitated by statute and, in the interests of reducing costs, most of this work has been and will continue to be dealt with by more junior members of the team.

During the Reporting Period, time costs incurred in respect of Creditors total £2,592, which represents 12 hours at an average hourly rate of £210.

The Joint Liquidators and case staff will continue to undertake the following tasks in respect of Creditors in the future:

- Creditor correspondence, emails and telephone conversations regarding claims in the Liquidation;
- Liaising with creditors and assisting with submitting their claims in the Liquidation; and,
- Maintaining up to date creditor information and claims status on the case management system.

This work will not lead to a direct benefit to the Company's unsecured creditors by way of a dividend payment, however is necessary to ensure that creditors are kept updated on the case.

### **Investigations**

It is a statutory requirement that the Joint Liquidators provide a report to the Department for Business, Energy & Industrial Strategy ("BEIS") on the conduct of all directors in their management of the Company to determine their unfitness to act in such a role. This entails a broad level of investigation to ensure that best practice standards are met.

The Joint Liquidators also have a duty to undertake additional investigations into potential antecedent transactions. Such investigation may or may not lead to further asset recovery so creditors should not assume that this activity will provide a monetary benefit to the Liquidation estate.

The Former Joint Administrators and the Joint Liquidators have complied with their statutory obligation to file a report with DBT regarding the conduct of all directors of the Company that served in the three years prior to the Administration Appointment Date. There are no outstanding lines of enquiry in this regard.

The Joint Liquidators have incurred total time costs of £397 to date in respect of investigations, however anticipate that no further time costs will be incurred in this regard.

### **Realisation of Assets**

The fundamental duty of a Liquidator is to secure and realise the assets of the Company. The Joint Liquidators' powers are designed to ensure the effective discharge of this duty. The Joint Liquidators must recover the assets of the Company in order to achieve the best possible outcome for the Company's creditors.

Creditors are referred to the Joint Liquidators' Receipts and Payments Account at Appendix 1 for a summary of the assets which have been recovered thus far.

The Joint Liquidators have incurred total time costs of £484 to date in respect of dealing with transfer of funds from the Administration estate to the Liquidation estate, reviewing and recovering certain book debts, and corresponding with solicitors in this regard.

The Joint Liquidators estimate no further time costs will be incurred in this regard.

## **Appendix 5 - Statement of Creditors' Rights**

*Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)*

*Section numbers refer to Insolvency Act 1986*

*'Office-holder' is the current Liquidator*

### **Information for Creditors on Remuneration and Expenses of Liquidators**

Information regarding the fees and disbursements of Liquidators, including details of Kroll's disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Liquidators' Fees". This can be viewed and downloaded from Kroll's website at

<https://www.kroll.com/en-gb/services/restructuring-advisory/creditor-guides-and-employee-fact-sheets>

(click on 'Liquidations').

Should you require a copy, please contact [PureLegal@kroll.com](mailto:PureLegal@kroll.com).

### **Creditors Have the Right to Request Information from the Officeholder Under Rule 18.9**

A secured creditor, an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question) or any unsecured creditor with the permission of the Court may make a written request to the officeholder for further information concerning remuneration or expenses. Such a request must be made within 21 days of receipt of this report and a response will be provided within 14 days of receipt of the request.

Creditors have recourse to the Court, application to be made within 21 days of the officeholder giving reasons for not providing all the information requested or the expiry of the 14 days within which an officeholder must respond to a request.

### **Creditors have the Right to Challenge the Office-Holder's Remuneration and Expenses Under Rule 18.34**

A secured creditor, an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or any unsecured creditor with the permission of the Court, may make an application to the Court on the grounds that the remuneration charged or expenses incurred are excessive and/or that the basis fixed for the office-holder's remuneration is inappropriate. The application to the Court must be made no later than eight weeks after receipt of the Progress Report where the charging of the remuneration or the incurring of expenses in question occurs.



## Appendix 6 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Administration Appointment Date	2 November 2021, being the date of appointment of the Former Joint Administrators
the Appointment Date	30 September 2022, being the date of appointment of the Joint Liquidators
Astute	Astute Business Management Consultants Limited (In Compulsory Liquidation)
ATE	After The Event, referring to insurance of the kind
Category 1 Expenses	The Joint Liquidators' expenses, in dealing with the liquidation, to persons providing the service to which the expense relates and who are not an associate of the Liquidator. These expenses can be paid without prior approval
Category 2 Expenses	The Joint Liquidators' expenses, in dealing with the liquidation, to associates or where there is an element of shared costs. Such expenses require approval by creditors before payment
CIFL	Close Invoice Finance Limited
the Company	Pure Business Group Limited (In Compulsory Liquidation) (Company Number: 10125023)
the Companies	The Company, Astute, CCL, PCB, PCL, PCSS, PLL, PRS and PTS, all of which are subject to an Administration order on the Appointment Date
the Creditors' Portal	The Joint Liquidators will be uploading the majority of the documents they issue in the Administration to a website, <a href="https://www.ips-docs.com/">https://www.ips-docs.com/</a>
DBT	Department for Business & Trade
the Former Directors	Amanda Grimes, Philip Hodgkinson, David Kirby, Robert Mares, Andrew Scott and Jennifer Shaw, the Former Directors of the Company who resigned on 29 November 2022
the Former Joint Administrators	Robert Armstrong, Michael Lennon and James Saunders of Kroll
Group	Pure Business Group Limited and its subsidiaries

Word or Phrase	Definition
HMRC	HM Revenue and Customs
the Joint Liquidators (including contact details)	Robert Armstrong, Michael Lennon and James Saunders of Kroll Advisory Ltd., The Shard, 32 London Bridge Street, London, SE1 9SG The Chancery, 58 Spring Gardens, Manchester M2 1EW Tel: +44 (0) 20 7089 4860 Email: PureLegal@kroll.com Contact name: Billy Long
Kroll	Kroll Advisory Ltd., The Shard, 32 London Bridge Street, London, SE1 9SG
Novitas	Novitas Loans Limited
OR	Official Receiver
PBG	Pure Business Group Limited (In Compulsory Liquidation)
PCB	Pure Costs Budgets Limited (In Compulsory Liquidation)
PCL	Pure Claims Limited (Dissolved)
PCSS	Pure Claims Support Services Limited (In Compulsory Liquidation)
PLCC	Pure Legal Costs Consultants Limited (In Administration)
PLL	PLL 1 Realisations 2021 Limited (formerly Pure Legal Limited) (In Administration)
Preferential Creditor/s	A creditor with a claim that ranks in priority to other unsecured creditors, to floating charge holders and the prescribed part. Preferential debts are either 'ordinary', such as certain employee claims, or 'secondary', such as HMRC's claims for VAT and PAYE income tax, which will rank for payment after the ordinary preferential claims are paid in full
Prescribed Part	Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a designated amount of the Company's net property (floating charge assets less cost of realisation) shall be made available to non-preferential unsecured creditors
the Previous Reports	The Former Joint Administrators' Statement of Proposals dated 15 November 2021 and Progress Report to Creditors dated 30 May 2022 and 6 October 2022
PRS	Pure Reporting Services Limited (In Compulsory Liquidation)

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Word or Phrase	Definition
PTS	Pure Technology Systems Limited (Dissolved)
the Reporting Period	The period from 30 September 2022 to 29 September 2023
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
the Secured Creditors	CIFL and Novitas
SIP 2	Statement of Insolvency Practice 2 – investigations by Office Holders in Liquidation and Insolvent Liquidations
SIP 9	Statement of Insolvency Practice 9 – Industry Best Practice for Insolvency Practitioners in relation to disclosure of remuneration and expenses
SOA	Statement of Affairs, documentation supplied by the Former Directors outlining the Company's financial position as at the commencement of the Administration
Winding Up Order	The Winding Up Order of 30 September 2022, in the High Court of Justice, Business and Property Courts in Leeds, 000514 of 2021

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