

AM03

Notice of administrator's proposals



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 1 2 9 6 5 2 4 3

Company name in full Accident Claims Lawyers Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Hilary

Surname Pascoe

3 Administrator's address

Building name/number Leonard Curtis

Street Riverside House

Irwell Street

Post town Manchester

County/Region

Postcode M 3 5 E N

Country United Kingdom

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 Leonard Curtis

Street Riverside House

Irwell Street

Post town Manchester

County/Region

Postcode M 3 5 E N

Country United Kingdom

② Other administrator

Use this section to tell us about
another administrator.

AM03

Notice of Administrator's Proposals

6

Statement of proposals



I attach a copy of the statement of proposals

7

Qualifying report and administrator's statement ^①



I attach a copy of the qualifying report



I attach a statement of disposal

^① As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)

8

Sign and date

Administrator's
Signature

Signature

X

niuey R...

X

Signature date

d

0

d

2

m

0

m

2

y

2

y

0

y

2

y

4

AM03

Notice of Administrator's Proposals



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

Joe Thompson

Company name

Leonard Curtis

Address

Riverside House

Irwell Street

Manchester

Post town

County/Region

Postcode

M 3 5 E N

Country

DX

Telephone

0161 831 9999



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 and dated the form.



Important information

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



Where to send

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

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



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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

ACCIDENT CLAIMS LAWYERS LIMITED
(IN ADMINISTRATION)

Registered Number: 12965243

Court Ref: CR-2023-006696

High Court of Justice, Business and Property Courts of England and Wales

Joint Administrators' Report and Statement of Proposals in
accordance with Para 49 of Schedule B1 to the Insolvency Act 1986
and Rule 3.35 of the Insolvency (England and Wales) Rules 2016

Report date: 2 February 2024

Date report deemed to be delivered to creditors: 2 February 2024

Leonard Curtis contact details:

Riverside House, Irwell Street,

Manchester M3 5EN

Tel: 0161 831 9999

General email: recovery@leonardcurtis.co.uk

Email for requests for a physical meeting: Manchester.meetingreq@leonardcurtis.co.uk

Ref: M/61/JTO/AD18K/1040

CONTENTS

1	Introduction
2	Statutory Information
3	Historical Background and Events Leading Up To Administration
4	Recent Trading Results and Current Financial Position
5	Events Following the Joint Administrators' Appointment
6	Achieving the Purpose of Administration
7	Joint Administrators' Proposals and Exit Route
8	Extension of Administration
9	Pre-Administration Costs
10	Joint Administrators' Remuneration and Expenses
11	Estimated Outcome for Creditors
12	Release of Administrators from Liability
13	Conclusion

APPENDICES

A	Joint Administrators' Statement of Proposals
B	Statement of Affairs as at 11 December 2023
C	Summary of Joint Administrators' Receipts and Payments from 11 December 2023 to 2 February 2024
D	Summary of Joint Administrators' Pre-Administration Costs
E	Joint Administrators' Fees Estimate incorporating time incurred to 26 January 2024
F	Joint Administrators' Statement of Likely Expenses
G	Estimated Outcome Statement
H	Leonard Curtis Policy on Fees and Expenses
I	Proof of Debt Form

TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS
ALL MEMBERS

1 INTRODUCTION

General information

1.1 I refer to the appointment of Andrew Poxon and I as Joint Administrators ("the Joint Administrators") of Accident Claims Lawyers Limited ("the Company") on 11 December 2023 and now write to present the Joint Administrators' proposals ("the Proposals") (Appendix A) for the Company pursuant to the Insolvency Act 1986 ("the Act").

1.2 Para 3 of Schedule B1 to the Act requires the administrators to perform their functions with the objective of:

- a) Rescuing the company as a going concern; or
- b) Achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration); or
- c) Realising property in order to make a distribution to one or more secured or preferential creditors.

1.3 Para 51(1) of Schedule B1 to the Act ordinarily requires the administrators to seek a decision from the Company's creditors as to whether they approve the Proposals. However, this does not apply where the administrators state that they think:

- a) That the company has sufficient property to enable each creditor of the company to be paid in full; or
- b) That the company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of a distribution of the prescribed part fund; or
- c) That neither of the objectives specified in 1.2(a) and 1.2(b) above can be achieved.

1.4 I can confirm that in this case the Administrators are of the opinion that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of a distribution of the prescribed part fund. A dividend is, however, expected to be paid to the secured creditor and preferential & secondary preferential creditors. As a result, there is no requirement to seek a decision from the Company's general body of creditors as to whether they approve the Proposals.

1.5 Creditors whose debts amount to at least 10% of the total debts of the Company may however request the Administrators to seek a decision from the Company's creditors as to whether they approve the Proposals. Such a request must be delivered to the Administrators within 8 business days of the date on which this report was delivered and comprise the following:

- A statement of the purpose of the proposed decision; and EITHER
- A statement of the requesting creditor's claim, together with:
 - A list of the creditors concurring with the request and the amount of their respective claims or values; and
 - Confirmation of concurrence from each creditor concurring. OR
- A statement of the requesting creditor's debt and that that alone is sufficient without the concurrence of other creditors.

The deemed date of delivery of this report is given on the front page of this report. Please note that security must be given for the costs of convening the requisitioned decision.

1.6 In the event that no such request is received, the Proposals will be deemed to have been approved in accordance with Rule 3.38(4) of the Insolvency (England and Wales) Rules 2016 ("the Rules"). Where this is the case, notification of the date on which the Proposals were deemed to have been approved (being 14 February 2024) will be given to creditors as soon as reasonably practicable after the expiry of the period for requisitioning a decision referred to in 1.5 above.

2 STATUTORY INFORMATION

- 2.1 The Administration proceedings are under the jurisdiction of the High Court of Justice, Business and Property Courts of England and Wales under Court reference CR-2023-006696.
- 2.2 During the period in which the Administration Order is in force, any act or function required or authorised to be done by the Joint Administrators may be exercised by both or either of them.
- 2.3 The Company's registered office was changed from Suite 104, Sefton Street, Brunswick Business Park, Liverpool, L3 4BQ to Riverside House, Irwell Street, Manchester, M3 5EN on 16 December 2023. The registered number is 12965243. The Company traded as its registered name.
- 2.4 The Company operated from leasehold premises at Suite 104, Sefton Street, Brunswick Business Park, Liverpool, L3 4BQ.
- 2.5 The Company's directors and secretary are:

Name	Role	Date Appointed
Simon Keith Gibson	Director	21 October 2020
Stephen John Murray	Director	21 October 2020
Simon Paul Shaw	Director	2 December 2020
Michelle Stevenson	Director	21 October 2020

- 2.6 The Company's authorised share capital is 100 ordinary £1 shares. The issued share capital comprises, 100 ordinary £1 shares, the shares being owned as follows:

Name	Class of Share	No. of Shares	% of Total Owned
Spirant Group Limited	Ordinary £1 share	100	100
		<u>100</u>	<u>100%</u>

- 2.7 According to the information registered at Companies House, the Company has the following registered charges:

Chargeholder	Date created	Description	Amount secured	Assets Charged
Growth Lending 2021 Limited	28 February 2022	Debenture and Cross Guarantee	All monies	All assets

- 2.8 The insolvency proceedings are COMI proceedings.

3 HISTORICAL BACKGROUND AND EVENTS LEADING UP TO ADMINISTRATION

- 3.1 The Company was incorporated on 21 October 2020 and commenced to trade immediately from leasehold premises at Suite 108, South Harrington Building, Sefton Street, Liverpool, Merseyside, L3 4BQ.
- 3.2 The Company is part of a group structure with Spirant Group Limited having 100% shareholding in the Company, Zeus Tech Solutions Limited (In Administration) and Kanis UK Services Limited which is an intermediate holding company in respect of two companies situated in Australia ("the Group").
- 3.3 The Company latterly traded from leasehold premises at Suite 104, Sefton Street, Brunswick Business Park, Liverpool, L3 4BQ.
- 3.4 The Company was a solicitor firm who specialised in assisting with accident claims.

- 3.5 Prior to the implementation of the 2021 “Whiplash Reforms” (“the Reforms”), the Company (formerly trading as SGI Legal until rebranding in 2021) had been a profitable and sustainable business.
- 3.6 A significant proportion of the case load of the Company related to low value injuries arising from road traffic accidents. The profitability of these cases was significantly impacted by the Reforms leading to a strategic decision from management that it was no longer sustainable to continue to incept these low value cases. Following this decision, no further cases of this nature were accepted by the Company.
- 3.7 A strategic decision was taken by management to diversify the work streams of the firm to personal injury work types not affected by the Reforms. These were primarily employers liability, public liability and serious injury cases sourced through marketing collectives.
- 3.8 The plan from management (“The Plan”) was as follows:
- That the low value cases remaining from the date of implementation of the Reforms (summer 2021) would be run off and;
 - That the increase in cases not effected by the Reforms would lead to revenue streams increasing for these work types thus replacing revenues lost from the cessation of low value work.
- 3.9 Management arrived at a financial forecast in 2021 which supported the sustainability of The Plan and showed the business continuing to trade sustainably in future years.
- 3.10 In February 2022, the Group took borrowings from Growth Lending of c.£7.2m. It is understood that c.£2.7m was injected into the Company to repay existing borrowings.
- 3.11 Unfortunately, a number of market conditions arose which caused disruption to the Plan namely the following:
- The County Court system became increasingly backlogged and under resourced, leading to lengthy timescales between the issue of proceedings and final hearings. Hearings also became increasingly adjourned (and for prolonged periods sometimes 12 months before relisting) due to a lack of judicial capacity.
 - Claim numbers reduced in those areas of personal injury not effected by the reforms. This led to both a shortfall in anticipated revenue and the increase in marketing costs. In short, cases became more expensive and increasingly more competitive to source quality.
 - The cases in run off became more difficult to forecast in terms of working capital lock up. This was caused both by the court situation and the fact that, as the caseload reduced, the cases left were more problematic in terms of their prospects of success. This made the fixing of budgetary assumptions around case length and failure rate increasingly challenging with a consequential impact upon revenue and cash reserves.
 - The credit control policies of suppliers became more stringent. This led to a requirement for business cash reserves to be used to repay such creditors prior to the settlement of cases.
- 3.12 In late 2022, due to a combination of these factors, management took the strategic decision to put the firm into an orderly wind down (“the Wind Down”). A financial forecast was prepared showing the cases of the business being wound down to nil, all creditors being repaid and the firm closed in an orderly manner. The Wind Down was approved by the secured lender Growth Lending.
- 3.13 The Company transferred its serious injury caseload to Minster Law due to the Company no longer having experienced staff to deal with such cases.
- 3.14 Market conditions continued to worsen which led to an increasing drain on cash reserves and business profitability. In conjunction with Growth Lending, the decision was taken that it would be in the best interests of the creditors to consider a formal insolvency process.
- 3.15 Due to the aforementioned constraints the business was faced with, LC introduced the Company to Recovery First. Recovery First help law firms withdraw from specific sectors of the legal market, whilst

ensuring 100% of the recoverable Work in Progress value is retained by the law firm. Recovery First have a panel of law firms whereby client matters are transferred so cases can be assessed and progressed.

- 3.16 The directors liaised with Recovery First and took the decision to enter into a monitoring agreement which included the transfer of live case matters to Recovery First's panel of law firms.
- 3.17 Following discussions with the directors, where the Company's position and relevant options were discussed, the strategy to place the Company into Administration was agreed. The directors were issued with an engagement letter on 30 November 2023 which was duly signed and returned on the same date. It should be noted that the Joint Administrators pre appointment costs have accrued from 24 November 2023 (inclusive) to the date of appointment as set out in the terms of the letter of engagement.
- 3.18 The directors filed a Notice of Intention to Appoint Administrators ("NOI") on 29 November 2023 at the High Court of Justice Business and Property Courts – Company Insolvency List (CHD) ("the Court"). The NOI was served on the Company and Growth Lending 2021 Limited (as holders of a qualifying floating charge). The NOI proposed to appoint Hilary Pascoe and Andrew Poxon as Joint Administrators.
- 3.19 Following receipt of consent to the appointment from Growth Lending 2021 Limited, the directors filed a Notice of Appointment at High Court Justice Business and Property Courts – Company & Insolvency List (CHD) on 11 December 2023 appointing Hilary Pascoe and Andrew Poxon as Joint Administrators.
- 3.20 Hilary Pascoe and Andrew Poxon are licenced by the Insolvency Practitioners Association. In accordance with paragraph 100(2) of Schedule B1 of the Insolvency Act 1986, the functions of the Joint Administrators may be exercised by either both acting jointly or alone.
- 3.21 For complete disclosure LC have not had any prior involvement with the Company or its directors.
- 3.22 There is no prior involvement or matter which constitutes a significant personal or professional relationship which would have affected our ability to deal with this matter objectively and prevent us from accepting this appointment.

4 RECENT TRADING RESULTS AND CURRENT FINANCIAL POSITION

- 4.1 The Company's trading results for the year ended 31 December 2021, draft accounts for the period ended 31 December 2022 and management accounts for the period ended 31 October 2023 are detailed below:

	Mgmt period ended 31/10/2023 £'000	Draft Year ended 31/12/2022 £'000	Signed Year ended 31/12/2021 £'000
Turnover	2,168	5,427	4,688
Gross Profit	1,310	3,563	2,211
Gross Profit %	60%	66%	47%
Administrative expenses	(1,677)	(3,391)	(2,903)
Other operating income	-	-	899
Operating Profit/(Loss)	(367)	172	207
Interest and charges	(319)	(63)	(124)
Profit/(Loss) before tax	(686)	109	83
Taxation	-	-	(62)
Profit for the year	(686)	109	21

- 4.2 The balance sheets as at 31 December 2021, 31 December 2022 and 31 October 2023 is detailed below:

	Mgmt 31/10/2023 £'000	Draft 31/12/2022 £'000	Signed 31/12/2021 £'000
Fixed Assets			
Intangible Assets	2,506	2,982	3,351
Tangible Assets	77	113	138
	<u>2,583</u>	<u>3,095</u>	<u>3,489</u>
Current Assets			
Debtors	1,606	1,191	2,085
Cash	8	173	-
	<u>1,614</u>	<u>1,364</u>	<u>2,085</u>
Creditors: Amounts Falling due within one year	(611)	(583)	(4,393)
	<u>1,003</u>	<u>781</u>	<u>(2,308)</u>
Net Current Assets/(Liabilities)			
Total Assets less Current Liabilities	3,586	3,876	1,181
Creditors: Amounts falling due after more than year	(3,647)	(3,746)	(1,160)
	<u>(61)</u>	<u>130</u>	<u>21</u>
Net Assets			
Represented by			
Called up share capital (£100)	-	-	-
Profit and Loss account	(61)	130	21
Shareholders' Funds	<u>(61)</u>	<u>130</u>	<u>21</u>

- 4.3 It should be noted that the accounts for the period ended 31 October 2023 have been taken from computerised management accounts and should not be taken as agreed amounts.

Statement of Affairs

- 4.4 A statement of affairs of the Company as at 11 December 2023 was submitted by Stephen Murray and this has been filed with the Registrar of Companies. A copy is enclosed at Appendix B.
- 4.5 Please note that no provision has been made for costs and expenses of realisation, costs of the Administration and any corporation tax which may be payable. The following comments are considered to be relevant and should be borne in mind when reading the figures:

Secured Creditor

Growth Lending 2021 Limited ('Growth Lending')

- 4.6 Growth Lending, hold security by way of a Debenture incorporating Fixed and Floating charges over the Company assets, which was created on 28 February 2022.
- 4.7 As at the date of the Joint Administrators' appointment, Growth Lending was owed £7,200,000 in respect of Group borrowings. The sum due to Growth Lending is owed by Spirant Group Limited (the shareholder of the Company) and is guaranteed by all subsidiary companies, including the Company.
- 4.8 It is understood that the Company received c.£2.7m from monies loaned by Growth Lending to repay its existing borrowings. The Company's accounts as at 31 October 2023 showed the debt as an intercompany balance owed to Spirant Group. It is anticipated that Growth Lending will receive a

distribution from Floating Charge realisations. It remains uncertain at this time whether Growth lending will recover its debt in full from the Company and the Group companies.

Prescribed Part

- 4.9 Based upon the information currently available, it is likely that there will be sufficient realisations in this matter to enable a prescribed part fund to be available to unsecured creditors.

Preferential Claims

- 4.10 The only categories of claims which have preferential status are those of employees in respect of wages and accrued holiday pay and certain pension contributions.
- 4.11 The Company employed 20 members of staff who were made redundant on our appointment. These members of staff were owed arrears of pay as well as accrued holiday pay at the date of the Administrators' appointment.
- 4.12 The Joint Administrators, along with their appointed employment consultants, Evolve IS Limited ("Evolve"), have been assisting employees in submitting their relevant claims with The Redundancy Payments Service ("RPS") who will make certain payments to the employees and become a subrogated creditor for that amount.
- 4.13 For the purposes of this report, Evolve have estimated preferential claims in respect of accrued holiday payment and arrears of wages to be £29,004.
- 4.14 It is understood that there are outstanding pension arrears that have been deducted from pay but not paid to the pension scheme for the period 1 November 2023 to 30 November 2023. We have instructed Evolve to review the contributions arrears and liaise with NEST, the pension provider and prepare and submit the relevant RP15 form to the RPS.
- 4.15 On present information, we anticipate there will be sufficient funds available to enable a distribution to be made to the preferential creditors.

Secondary Preferential Creditors

- 4.16 With respect to insolvencies commencing on or after 1 December 2020, HMRC will rank ahead of floating charge holders and unsecured creditors in respect of certain unpaid taxes that the relevant company collects on behalf of HMRC. These taxes are known as Priority Taxes and include:
- VAT;
 - PAYE (including student loan repayments);
 - Construction Industry Scheme deductions; and
 - Employees' NI contributions.
- 4.17 Company records show £116,131 is due to HMRC in respect of VAT, PAYE and Employees' NI contributions, which will rank as a secondary preferential claim, however this amount is not agreed. We anticipate a claim will be received from HMRC which will confirm the total amount due to HMRC.
- 4.18 It is anticipated that there will be sufficient funds in order to repay the Secondary Preferential Creditors in full.

Unsecured Claims

- 4.19 At present, it is considered unlikely that there will be sufficient funds available to enable a distribution to unsecured creditors, other than by way of the prescribed part. Creditors should continue to submit details of their claims using the proof of debt form attached at Appendix K.

Receipts and Payments

- 4.20 A receipts and payments account for the period of Administration to date is enclosed at Appendix C.

5 **EVENTS FOLLOWING THE JOINT ADMINISTRATORS' APPOINTMENT**

Work in Progress ("WIP") transferred to Recovery First Panel Firms

- 5.1 Prior to our appointment on 11 December 2023, all live client files were transferred to Recovery First's panel law firms: Clear Law, Forster Dean Solicitor, Enable Law, Marsons Solicitors, PR Scully and WE Solicitors LLP.
- 5.2 The Company instructed Recovery First to provide certain management services in respect of the progress of, and reporting on, the legal claims which were assigned to panel law firms. These services include the provision of management information, auditing of case progression, assistance with cost, drafting and collection of fees recorded in respect of the legal claims.
- 5.3 Whilst each case had a book value, the actual value for WIP can only be determined once cases are settled and costs assessed. Prior to the appointment, Recovery First undertook a high level review of the WIP which had an estimated book value of c.£3m and it was their opinion that this had an estimated realisable value of between 50% and 70% depending on case type across c.465 cases.
- 5.4 Since the transfer of case files to the panel law firms, c.170 cases were identified as closed prior to the transfer and which had an estimated book value of c.£1.2m. In addition, upon review of the client files c.27 cases were rejected by the panel law firms due to the unlikelihood that the case will be successful.
- 5.5 Recovery First have provided a revised estimate in respect of anticipated realisations in a best case scenario c.£840k and worst case of c.£550k.

WIP Transferred to Minster Law

- 5.6 Eighteen high value serious injury cases were transferred to Minster Law who are specialists in dealing with these types of complex cases prior to Administration. These cases are being progressed by Minster Law. The cases will be monitored by Recovery first and the Joint Administrators.
- 5.7 The Directors have provided a schedule of WIP which was transferred to Minster Law which had a recorded book value of £538,819.

Book Debts

- 5.8 In addition to the above, the Company had a book debt ledger estimated at c.£476k, which takes into account gross fees billed by the Company plus gross disbursements outstanding, less any unpaid disbursements as well as bad debt provisions. A breakdown of which can be seen below:

	£'000
Gross Fees Outstanding	769
Gross Disbursements Outstanding	3,523
Unallocated Credits/Receipts	(34)
Less: Unpaid Disbursements	(2,779)
Less: Bad Debt Provisions	(1,020)
Sundry Adjustments	17
	<u>476</u>

- 5.9 A full assessment of each case is due to be undertaken to ascertain the exact debtor position.

Intangible Fixed Assets

- 5.10 The Company's balance sheet as at 31 October 2023, attributed a value of c.£2m to Intangible Fixed Assets. From a review of the Company's statutory accounts it appears that these assets relate to goodwill and patents of the Company.

- 5.11 For the purposes of the director's Statement of Affairs at Appendix B, it has been assumed that no value will be realised in respect of the Intangible Fixed Assets.

Tangible Fixed Assets

- 5.12 The Company's Management Accounts to 31 October 2023 attributed a value of c.£77k to Tangible Fixed Assets. This comprises of Land and Buildings additions which was improvements to the leasehold property, fixtures and fittings and computer equipment.
- 5.13 Cerberus Asset Management ("CAM"), Asset Valuers and independent agents, were instructed to provide a valuation of the computer equipment and fixtures and fittings. CAM have confirmed that there is no realisable value in the office furniture as the uplift of furniture and associated costs of sale would outweigh any financial benefit into the Administration. It is expected that the IT equipment will be sold at auction. An update will be provided in the next report on the value achieved at auction.

Prepayments

- 5.14 According to the Company records, prepayments in the sum of c.£46k are due to the Company. These relate to subscriptions, business rates, insurances and a rent deposit.
- 5.15 It is unlikely that there will be any realisations from this source however, the Joint Administrators will write to each of these companies to assess the likelihood of payment. An update on this will be provided in our next report.

Cash at Bank

- 5.16 The Company operated bank facilities with NatWest Bank plc. The Company's accounts were requested to be frozen following the appointment of the Joint Administrators. The Company operated two office accounts and two client accounts. The office accounts held a total balance of £5,601 as at the date of appointment. We have requested that the accounts remain open to receive credits only and any credit balance held be transferred to the Joint Administrators' account.
- 5.17 There are funds held in the client accounts which relate to profit costs due to the Company in respect of fees in respect of client matters, which total £33,005.
- 5.18 These funds are yet to be transferred into the Administration account and therefore are not reflected in the Receipts and Payments account attached at Appendix C.

Leasehold / Trading Premises

- 5.19 The Company vacated the premises at Suite 104, Sefton Street, Brunswick Business Park, Liverpool, L3 4BQ on the appointment of the Joint Administrators. The Joint Administrators have contacted the landlord and advised them accordingly. The Joint Administrators do not require the continued use of the premises to achieve the purpose of the Administration and therefore have not been in beneficial occupation of the premises.
- 5.20 No value is expected to be realised in respect of the lease or any leasehold improvements made to the property prior to Administration.

Books and Records

- 5.21 The Joint Administrators have collected the Company's books and records. These are now held in a secure storage facility. It is a statutory requirement that the Joint Administrators retain the Company's books and records and securely destroy them one year from dissolution of the Company, if appropriate.

Professional Advisors ("PA") and / or Subcontractors ("S") used

- 5.22 On this assignment the Joint Administrators have or are proposing to use the advisors detailed below.

Name of Party	PA / S	Service Provided	Basis of Fees
Weightmans LLP ('Weightmans')	PA	Legal assistance with matters relating to the Joint Administrators' appointment and client files	Time costs
SJ Finance Services Ltd ('SJFS')	S	Consultancy Services	Fixed fee
Andrew Greogry of LC Legal	PA	Solicitor Manager	Time costs
Recovery First	PA	Monitoring Client Cases	15% of WIP recovered
Evolve IS Limited	S	Handling of employee claims and dealing with pension arrears	Fixed Fee
Prism 339 Ltd ('Prism')	S	Bank Statement analysis	Fixed fee
Cerberus Asset Management ('CAM')	PA	Valuation of physical assets	Time costs
Consultium Property Ltd ('CAPA')	S	Property audit to identify non-domestic rates refund	25% of realisations
ETI Cloud Ltd ("ETI")	S	Provision of IT Services	Fixed Fee
Vipre Security Group ("Vipre")	S	Email security and archiving	Fixed Fee

Weightmans LLP ('Weightmans')

- 5.23 Weightmans were instructed to assist with the drafting and submission of the Notice of Intention to appoint Administrators, preparing the Board Minutes and the preparation and filing of the Notice of Appointment.
- 5.24 Weightmans have been instructed due to their significant experience in dealing with insolvency matters and having staff available with the appropriate skillset required to assist the Joint Administrators with this matter.
- 5.25 Weightmans have incurred pre-appointment time costs totalling £7,858 plus VAT and Disbursements of £57.34 inclusive of VAT. We believe that the time costs accrued are fair and reasonable considering the services provided, the speed and efficiency with which Weightmans provided their services and the competitive rates agreed with Weightmans which are commensurate with other providers of legal services. A fee of £5,855 has been incurred in the period since the Administrators' appointment with regard to providing assistance to the Joint Administrators in dealing with the Company's IT provider, ETI Cloud Ltd to resume IT services.

SJ Finance Services Ltd ('SJFS')

- 5.26 SJFS provide financial consultancy services to businesses and financial professionals. The Joint Administrators instructed SJFS to assist with the transfer of the Company's residual client files to Recovery First and assist with accounting matters.
- 5.27 Additionally, SJFS have provided assistance to the solicitor manager in dealing with funds held in the client account and assisting with any client enquiries in respect of payments due following settlement of cases and ad hoc services to the Joint Administrators.
- 5.28 A payment of £6,667 plus VAT has been made for assistance provided during December 2023. It has been agreed that a daily rate of £750 plus VAT will be paid for work undertaken throughout January 2024.
- 5.29 It has been essential to use the services of SJFS as they have existing knowledge of the Company's financial information, operation of various bank accounts and reconciliation of client monies held. The Joint Administrators therefore considered it appropriate and cost effective to instruct SJFS.

Andrew Gregory of LC Legal

- 5.30 Andrew Gregory of Leonard Curtis Legal was appointed as Solicitor Manager by the Joint Administrators.
- 5.31 The Solicitor Manager shall use his reasonable endeavours to carry out the following functions:
- to take control of Client Monies and ensure that Client Monies are dealt by the Company at all times in strict accordance with the Solicitors' Accounts Rules. The Solicitor Manager will have no authority to transfer or move monies without the consent of one of the Administrators;
 - advising the Administrators in respect of the duties and obligations of the Company under the SRA Code of Conduct 2011 and Solicitors Accounts Rules 2011 and 2017 in order to ensure that: (a) clients' interests are protected; and (b) the business of the Company is managed in compliance with such regulations and rules;
 - assisting the Administrators in dealing with the determination and/or transfer of client matters and files, and keeping up-to-date records in respect of when the Company no longer holds certain Client Monies and/or client files;
 - assist the Administrators in preparing their reports to the SRA regarding the progress of the administration and the management of the business of the Company;
 - ensure that Client Money remains in the direct control of a solicitor;
 - confirming to the SRA when all Client Monies and client files have been transferred; and
 - promptly inform clients of the administration of the Company.
- 5.32 The Joint Administrators have been required to instruct Andrew Gregory of Leonard Curtis Legal as Solicitor Manager in this regard as the actions must be undertaken by a registered solicitor.
- 5.33 LC Legal are classed as an associate of the office-holder. Details of this firm's policy regarding the use of associates, choice of advisors and the basis for their fees are given in Appendix H

Recovery First

- 5.34 As detailed earlier in this report, the Company entered into Monitoring Agreements with Recovery First. Under the terms of the Monitoring Agreements, Recovery First have agreed to provide certain management services in respect of the progression of, and reporting on, the legal claims subject to the Assignments. These services include the provision of management information, auditing of case progression, assistance with cost, drafting and collection of fees recorded in respect of the legal claims.
- 5.35 Following the Administration, Recovery First will continue to monitor all cases transferred to the panel firms in return for a fee of 15% of the work in progress recovered. Recovery First are also instructed to assist and oversee the collection of the debtors for a fee of 10% of recoveries.
- 5.36 The Joint Administrators have continued to instruct Recovery First to assist with WIP collections due to their increased expertise in this area. This work has been sub-contracted out by the Joint Administrators as the extensive specialist knowledge Recovery First have acquired over many years has allowed them to put effective systems in place to ensure WIP realisations are maximised in a timely manner. We believe that the fee of 15% of WIP recoveries and 10% in respect of debtor collections is fair and reasonable in light of the services provided by Recovery First and will mitigate any time costs incurred by the Joint Administrators. It is considered that had the Joint Administrators staff completed the work undertaken by Recovery First then the time costs incurred would be significantly higher.
- 5.37 Details of this firm's policy regarding the use of associates, choice of advisors and the basis for their fees are given in Appendix H.

Evolve

- 5.38 Evolve provides Employment Rights Act services to the Insolvency Sector. Evolve were instructed to assist in handling the relevant employees' claims to the Redundancy Payments Office. Evolve were also instructed to assist in handling the relevant employees' pension arrears claims to the RPS and

are currently liaising with the Company's pension provider in order to establish the level of pension contribution arrears.

- 5.39 This work has been sub-contracted out by the Joint Administrators as the extensive specialist knowledge Evolve have acquired over many years has allowed them to put effective systems in place to ensure claims are dealt with as quickly as possible. We believe that the fixed fee totalling £950 plus VAT for ERA Services and £525 plus VAT for dealing with the pension contribution arrears is fair and reasonable in light of the services provided by Evolve and will mitigate any time costs incurred by the Joint Administrators. It is considered that had the Joint Administrators staff completed the work undertaken by Evolve then the time costs incurred would be significantly higher.

Prism 339 Limited ('Prism')

- 5.40 Prism is a data analysis company which produces comprehensive reports of the Company's bank statements including providing high level analysis following the conversion of the bank statements to an electronic format.
- 5.41 Prism's fee of £200 plus VAT per account is considered fair and reasonable and will mitigate time costs incurred by the Joint Administrators. It is considered that if the Joint Administrators staff complete the work, then the time costs incurred would be significantly higher.

Cerberus Asset Management ('CAM')

- 5.42 CAM has extensive sector specific product knowledge and experience in managing asset sales. CAM has a longstanding history of assisting insolvency practices with business and asset sales. They are supported by a team of RICS registered professionals who also specialise in security, removal and disposal of assets. CAM were instructed to provide an assessment of the Company's physical assets and collect the Company's physical books and records.
- 5.43 To date, CAM have incurred time costs totalling £1,600 plus VAT. Additional time will be incurred in respect of the disposal of the assets via auction.
- 5.44 We believe that time costs incurred to date of £1,600 plus VAT in relation to the work carried out by CAM is fair and reasonable.

Consultium Property Ltd ('CAPA')

- 5.45 CAPA forensically analyses and interrogates property outgoing and accounts payable data to highlight potential errors which may result from the Local Authority in relation to non-domestic business rates. CAPA has a number of years' experience concluding property audits for Insolvency Practitioners. CAPA has been instructed to perform a property audit and investigation into refunds from payments of non-domestic business rates in relation to the trading premises.
- 5.46 We believe that the fixed fee of 25% of any realisations is fair and reasonable in light of the services provided by CAPA and will mitigate any time costs incurred by the Joint Administrators.

ETI Cloud Ltd ("ETI")

- 5.47 ETI provided Hosted Desktop services to the Company which included but not limited to the supply of Windows Server licences, fully managed backup, integration with case management and CRM and application software services.
- 5.48 Shortly after the Joint Administrators appointment, ETI suspended the services to the Company, due to non-payment of the Windows Server Licence, which prevented accessing the Company's entire case management system.
- 5.49 It was critical for access to be resumed to enable the Joint Administrators to carry out their functions which included transferring the Company's client files and data.

5.50 The Joint Administrators provided an undertaking with ETI to immediately restore access to the Hosted Desktop with an agreement to discharge the outstanding balance of £30,161 to be paid from realisations received into the Administration and to be paid as an expense of the Administration.

5.51 The Joint Administrators have also agreed to discharge the cost of a one-month service fee for continued access to the Hosted Desktop. The fee is £5,567 plus VAT and will be discharged when there are sufficient realisations in the Administration.

Vipre Security Group (“Vipre”)

5.52 Vipre provided email services to the Company in addition to cyber security. These services were also suspended shortly after the Joint Administrators appointment. To enable the Joint Administrators to carry out their functions, it was necessary to pay for ongoing services.

5.53 The Joint Administrators have made a payment of £932 plus VAT to resume email access to 14 March 2024. Payment of these services will allow access to the Company’s email accounts which may be relevant to cover case matters.

6 ACHIEVING THE PURPOSE OF ADMINISTRATION

6.1 The Joint Administrators must perform their functions with the purpose of achieving one of the following objectives:

- (a) rescuing the Company as a going concern, or (if this cannot be achieved);
- (b) achieving a better result for the Company’s creditors as a whole than would be likely if the Company were wound up (without first being in administration), or (if (a) and (b) cannot be achieved);
- (c) realising property in order to make a distribution to one or more secured or preferential creditors.

6.2 The first objective is not capable of being achieved given the extent of historic liabilities.

6.3 The second objective is to achieve a better result for the Company’s creditors as a whole than would be likely if the Company were to be wound up (without first being in Administration). In the opinion of the Joint Administrators, this objective is likely to be achieved as there is a reasonable prospect of a dividend being available to unsecured creditors, via a prescribed part distribution, which would not have been the case if the Company had been wound up without first being in administration.

6.4 The third objective is to realise property in order to make a distribution to secured and / or preferential creditors. This objective will be achieved as it is anticipated that realisations will be sufficient to enable a distribution to the secured creditor and preferential & secondary preferential creditors.

6.5 The Administration has been and will continue to be financed by monies received from asset realisations.

7 JOINT ADMINISTRATORS’ PROPOSALS AND EXIT ROUTE

7.1 The Joint Administrators’ Proposals for achieving the objective of Administration are attached at Appendix A.

7.2 Ordinarily the Joint Administrators would seek a decision from the Company’s creditors as to whether they approve the Proposals. However, in this case, as there is little likelihood of a dividend being available for unsecured creditors, there is no requirement to seek such a decision from creditors.

7.3 Creditors whose debts amount to at least 10% of the total debts of the Company may however request the administrators to seek a decision from the Company’s creditors as to whether they approve the Proposals. Such a request must be delivered to the administrators within 8 business days of the date on which this report was delivered. The deemed date of delivery of this report is given on the front

page of this report. Please note that security must be given for the costs of convening the requisitioned decision.

- 7.4 If such a decision is requisitioned, creditors will be invited to consider the appointment of a creditors' committee and to vote on the Joint Administrators' Proposals as set out at Appendix A.
- 7.5 In the event that no such request is received, the Proposals will be deemed to have been approved in accordance with Rule 3.38(4) of the Rules. Where this is the case, notification of the date on which the Proposals were deemed to have been approved will be given to creditors as soon as reasonably practicable after the expiry of the period for requisitioning a decision referred to in 1.5 above.
- 7.6 Once approved, the affairs of the Company will be managed in accordance with the Proposals and financed out of asset realisations.
- 7.7 Once the Administration has been finalised, and if there are insufficient funds available to allow a distribution to unsecured creditors, the Joint Administrators will file a Notice with the Registrar of Companies that the Company be dissolved. Alternatively, if there are assets still to be realised or investigations concluded but there will be no return to unsecured creditors, the Company may be placed into Compulsory Liquidation.

8 EXTENSION OF ADMINISTRATION

- 8.1 The appointment of administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.
- 8.2 In certain circumstances it may be necessary to extend the Administrators' term of office. In the circumstances of this case, this may be done for a specified period not exceeding twelve months with the consent of:
- each secured creditor of the Company; and
 - if the company has unsecured debts, the unsecured creditors of the Company.
- 8.3 The appropriate body of creditors will be contacted in due course should an extension be required.

9 PRE-ADMINISTRATION COSTS

- 9.1 Pre-administration costs are defined as:

- Fees charged; and
- Expenses incurred

by the Administrator, or another person qualified to act as an insolvency practitioner before the company entered Administration (but with a view to its doing so). "Unpaid pre-administration costs" are pre-administration costs which had not been paid when the company entered Administration.

- 9.2 Time charged and expenses incurred by the Joint Administrators and their agents and solicitors in the period prior to their appointment are summarised below:

Charged by	Services provided	Total amount charged £	Amount paid £	Who payments made by	Amount unpaid £
Leonard Curtis Recovery Ltd	Carried out an assessment of the financial position with a view to establishing Administration as the appropriate insolvency procedure, attending meetings with management, attended virtual meetings with the secured creditor, preparation of an Estimated Outcome Statement, and preparation of appointment documentation, as well as time spent agreeing a strategy and liaising with the Company in respect of the strategy.	£24,290.50	Nil	N/A	£24,290.50
Weightmans LLP	Preparing and submission of the NOI and appointment documentation.	£7,915.34	Nil	N/A	£7,915.34
Total		£32,205.84			£32,205.84

- 9.3 Enclosed at Appendix D is an analysis of the Joint Administrators' pre-administration costs. The analysis shows that total pre-administration time costs of £24,290.50 have been incurred which represents 50.8 hours at a rate of £478.16.

Work Undertaken by Leonard Curtis Recovery Limited ('LCR')

- 9.4 In the period prior to Administration, Leonard Curtis provided insolvency advice to the Company and carried out an assessment of its financial position with a view to establishing the appropriate insolvency procedure for the Company, in light of the complexities provided by an SRA regulated entity.
- 9.5 The Joint Administrators evaluated the Company's financial position and advised that the Company was insolvent as it was unable to pay its liabilities as and when they fell due.
- 9.6 Subsequently it was advised that Administration was the most suitable form of insolvency procedure and the Joint Administrators assisted with formulating an administration strategy.
- 9.7 The work undertaken included, but was not limited to:
- Attending the initial meeting with the directors to discuss the Company's financial position and the options available.
 - Liaising with the directors on various matters including the strategy of the administration, the information and documentation required for administration, matters relating to the Company's employees, client files/WIP and the formalities of appointment;
 - Liaising with the secured creditor in relation to the security held against the Company, the proposed strategy for the Joint Administrators' appointment and preparation of an Estimated Outcome Statement
 - Corresponding with the directors regarding FCA status.
 - Completion of the Consent to Act for each proposed Administrator.
 - Opening and setting up the case file.
 - Liaising with Weightmans LLP regarding planning matters in terms of filing the notice of intention to appointment, notice of appointment and discussions in terms of the transfer of client files/WIP.

- Review of the minutes of the board meeting resolving that the Company is insolvent, as prepared by Weightmans LLP.
- Liaising with management regarding employee matters and HR1 form.
- Collating information and documentation to assist with asset realisations and investigations.
- Regular internal meetings to discuss the planning and strategy for the proposed administration.
- Setting up the Joint Administrators' records to ensure that all statutory requirements were adhered to.
- Instruction letters and associated dialogue with Weightmans, LC Legal and Evolve.

9.8 The work undertaken prior to the Joint Administrators' appointment was deemed necessary to ensure that all options available to the Company were discussed and appropriately considered by the directors.

Weightmans LLP ('Weightmans')

9.9 Costs incurred by Weightmans in respect of dealing with the formalities associated with placing the Company into Administration included:

- Providing legal advice to the Proposed Administrators in respect of the most appropriate route of appointment;
- Drafting Board Minutes;
- Drafting the NOI and NOA and filing of the same in the High Court of Justice Business and Property Courts in Manchester;
- Checking if any Winding up Petitions have been presented in relation to the Company; and
- Serving the NOI and NOA on all relevant parties.

9.10 The above work undertaken by Weightmans was considered necessary to ensure that the Joint Administrators were validly appointed.

9.11 The payment of unpaid pre-administration costs (set out above) as an expense of the Administration is subject to the approval of the appropriate class of creditors, separately to the approval of the Administrators' Proposals. This approval will be the responsibility of the Creditors' Committee if one is appointed or alternatively will be by a decision of the general body of creditors.

10 JOINT ADMINISTRATORS' REMUNERATION AND EXPENSES

General

10.1 The basis of the Joint Administrators' remuneration may be fixed either as a percentage of the value with which they have to deal ('a percentage basis'), as a set amount, or by reference to the time properly given by the Joint Administrators and their staff in attending to matters as set out in a Fees Estimate. A combination of these bases may be fixed, with different bases being fixed in respect of different things done by the Joint Administrators. Additionally, where a percentage basis is fixed, different percentages may be fixed in respect of different things done by the Joint Administrators.

Approval by appropriate body

10.2 The Joint Administrators think that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by way of the prescribed part. In such circumstances, responsibility for approving the basis of the Joint Administrators' remuneration lies with the Creditors' Committee (if there is one); or if none (or the Committee does not make the requisite determination): each secured creditor of the Company; or where the Joint Administrators intend to make a distribution to preferential creditors: each secured creditor of the Company and a decision of the preferential creditors.

10.3 In the absence of a Creditors' Committee being established in this case, approval will be sought from the secured and preferential creditors and the outcome will be reported to all creditors in due course.

Information to be given to creditors

- 10.4 The Joint Administrators wish, in this case, to seek the secured and preferential creditors' agreement to their remuneration being fixed by reference to the time properly given by them and their staff in attending to matters as set out in a Fees Estimate. Prior to seeking approval of this basis, the Joint Administrators are required to provide all known creditors with their Fees Estimate and details of the expenses that they consider will be, or are likely to be, incurred during the administration ("Statement of Likely Expenses").

The Fees Estimate

- 10.5 The Joint Administrators' Fees Estimate for the whole of the Administration is set out at Appendix E. It includes the following:
- Details of the work that the Joint Administrators and their staff propose to undertake;
 - The hourly rate or rates that the Joint Administrators and their staff propose to use; and
 - The time that the Joint Administrators anticipate that each part of the work will take.

Details of the Joint Administrators' time costs to date have also been included for comparison purposes. In summary, time costs of £34,809.50 have been incurred to date which represents 100.3 hours at an average rate of £347.05 per hour.

- 10.6 The total amount of time costs as set out in the Fees Estimate is £280,948.50. Once approved by the appropriate body of creditors, the remuneration drawn by the Joint Administrators must not exceed this total amount without prior approval. It should be noted that in some instances payment of these costs will be limited to the amount of realisations available in the administration.
- 10.7 The Fees Estimate is based upon information currently available to the Joint Administrators. Based upon this information, the Joint Administrators do not anticipate that the Fees Estimate will be exceeded. However should information come to light during the course of the administration which means that the Joint Administrators will be required to undertake work not envisaged at the time that the Fees Estimate was provided, it may be necessary for the Joint Administrators to revert to secured and preferential creditors for further approval.
- 10.8 Details of the firm's charge-out rates and policy regarding the recharge of expenses, staff allocation, support staff and the use of subcontractors are attached at Appendix H. Please be aware that the firm's charge out rates have been amended with effect from 1 March 2021.
- 10.9 Further guidance may be found in "Administration: A Guide for Creditors on Insolvency Practitioner Fees" (Version 1 – April 2021) which may be downloaded using the following link:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>

If you would prefer this to be sent to you in hard copy please email recovery@leonardcurtis.co.uk or contact Joe Thompson of this office on 0161 831 9999.

Statement of Likely Expenses

- 10.10 The Joint Administrators' Statement of Likely Expenses is set out for creditor information at Appendix F. To assist creditors' understanding of this information, it has been separated into the following categories:
- (i) Standard Expenses: this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.
 - (ii) Case Specific Expenses: this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in this particular case. Also included within this category are costs that are directly referable to the administration but are not paid to an independent third party (and which may include an element of allocated costs). These are known as "Category 2 expenses" and they may not be drawn without the approval of the secured and preferential creditors in the same way as fees and the secured and preferential creditors will be contacted directly in this respect. The basis of the calculation of their recharge is detailed in Appendix H.

- 10.11 The Joint Administrators are also 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. Payments to associates are subject to the same level of approval as the office holder's fees and category 2 expenses. Details of this firm's policy regarding the use of associates and the level of their fees is given in Appendix H.

Further Updates

- 10.12 The Joint Administrators will provide creditors with an indication of whether the remuneration anticipated to be charged by them is likely to exceed the Fees Estimate, and if so the reasons for this, in their subsequent reports. Information will also be provided in subsequent reports on whether the expenditure detailed in the Statement of Likely Expenses has been or is likely to be exceeded and the reasons why.

11 ESTIMATED OUTCOME FOR CREDITORS

- 11.1 In order to assist the various classes of creditors in assessing the quantum of any dividend which may or may not be payable to them, we have produced an Estimated Outcome Statement. This is attached at Appendix G.

- 11.2 The Estimated Outcome Statement assumes the following:

- a) That asset realisations are in line with those estimated at Appendix B;
- b) That the Joint Administrators' fees estimate (as detailed at Appendix E) is approved and is not exceeded; and
- c) That the expenses of the administration are as set out in the Statement of Likely Expenses at Appendix F and are not exceeded.

- 11.3 In summary:

- Secured creditors- It is anticipated that Growth Lending will receive a distribution from Floating Charge realisations only.
- Preferential creditors – It is anticipated that realisations will be sufficient in order to enable a distribution to the preferential creditors.
- Secondary Preferential creditors – It is anticipated that realisations will be sufficient in order to enable a distribution to the secondary preferential creditors.
- Unsecured creditors – It is not anticipated that realisations will be sufficient in order to enable a distribution to the unsecured creditors, other than by way of the Prescribed Part.

12 RELEASE OF ADMINISTRATORS FROM LIABILITY

- 12.1 As soon as all outstanding matters in the Administration have been attended to it is anticipated that we will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically to dissolution.

- 12.2 The appointment of the Joint Administrators will cease as soon as this notice is issued.

- 12.3 It is for the creditors to fix the date upon which the Joint Administrators are discharged from liability in respect of any action of theirs during the Administration. The relevant form to enable you to consider this decision is attached at Appendix J of this report.

13 CONCLUSION

- 13.1 It is important that you give careful attention to this report and its Appendices.

- 13.2 Creditors will be advised of the outcome on the deemed approval of the Proposals in due course.

Accident Claims Lawyers Limited - In Administration

Should you have any queries or require any further clarification please contact Joe Thompson at my office, in writing. Electronic communications should also include a full postal address.

for and on behalf of
ACCIDENT CLAIMS LAWYERS LIMITED



HILARY PASCOE
JOINT ADMINISTRATOR

Hilary Pascoe is authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners' Association under office holder number 27590 and Andrew Poxon is authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners' Association under office holder number 8620

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

JOINT ADMINISTRATORS' STATEMENT OF PROPOSALS

It is proposed that:

1. The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration.
2. If appropriate, the Joint Administrators take any action they consider necessary with a view to the approval of a Company Voluntary Arrangement ("CVA") or Scheme of Arrangement in relation to the Company.
3. If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation ("CVL"). It is further proposed that that the Joint Administrators in office at the date of conversion to CVL will become the Joint Liquidators of the Company, and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB. Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
4. Alternatively, if appropriate, the Joint Administrators apply to Court under Para 65 (3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured creditors within the Administration.
5. In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved.
6. The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
7. The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that the Joint Administrators in office at the date of conversion to compulsory liquidation be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them.
8. The Joint Administrators shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.

ESTIMATED STATEMENT OF AFFAIRS

APPENDIX C

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS FROM
11 DECEMBER 2023 TO 2 FEBRUARY 2024**

	Statement of Affairs £'000	Received to date £'000
RECEIPTS		
Work in Progress	839	-
Serious Injury Work in Progress	377	-
Book Debts	238	-
Intangible Fixed Assets	12	-
Cash at Bank	38	6
Prepayments	Nil	-
	<u>1,504</u>	<u>6</u>
PAYMENTS		
None		-
		<u>Nil</u>
BALANCE IN HAND		<u>6</u>

SUMMARY OF JOINT ADMINISTRATORS PRE-ADMINISTRATION COSTS

	Total Units	Cost £	Average Hourly Rate £
Planning and Strategy	6	249.00	415.00
Financial assessment	41	2,255.00	550.00
Strategy & purpose evaluation	360	18,598.50	516.63
Preparation of documents	37	767.50	207.43
Administrative set up	37	935.50	252.84
Chargeholder	19	1,045.00	550.00
Court related issues	8	440.00	550.00
<hr/>			
Total	508	24,290.50	
<hr/>			
Average Hourly Rate (£)		478.16	
<hr/>			
All Units are 6 minutes			

DETAILED ANALYSIS OF PRE-ADMINISTRATION COSTS

The narrative below should be read in conjunction with the narrative in the main body of this report.

Planning and Strategy

- Internal case strategy discussions.

Financial Assessment

- Attending the initial meetings with the directors to discuss the Company's financial position and the options available.
- Preparing the Estimated Outcome Statement.
- Various communications to arrange for the transfer of all client files.

Strategy & Purpose Evaluation

This category included time spent planning the strategy and the administration, including but not limited to:

- Preparing and issuing our engagement letter to the directors.
- Liaising with the directors on various matters including the strategy of the administration, the information and documentation required, matters relating to the Company's creditors and employees as well as the formalities of the Joint Administrators' appointment.
- Liaising with our solicitor regarding planning matters in terms of filing the notice of intention to appoint the Joint Administrators and the Joint Administrators' notice of appointment.
- Correspondence with Weightmans regarding FCA status.
- Review of the notice of intention to appoint Joint Administrators and minutes of the board meeting resolving that the Company is insolvent.
- Correspondence with the directors regarding creditor queries and deeds of transfer of cases.
- Liaising with the Company's HR specialist regarding employee matters and HR1 form.
- Correspondence with the secured creditor regarding strategy of Administration and updates on timescales.
- Drafting and providing an Estimated Outcome Statement to the secured creditors.
- Discussions regarding employee redundancies.
- Providing client account details to the directors to enable payment of the agreed fee to be made.
- Collating information and documentation to assist with asset realisations and collection of debtor balances.
- Liaising with CAM regarding assets located at the premises.
- Setting up the Joint Administrators' records to ensure that all statutory requirements were adhered to.
- Correspondence with the directors to obtain the information required to assist with the administration appointment.
- Periodic discussions with the directors to discuss all aspects of the proposed administration.

Preparation of Documents

This category includes time spent dealing with the formalities of the administration appointment, including but not limited to:

- Setting up case files to ensure that all statutory requirements were adhered to.
- Correspondence with the directors to obtain the information required to assist with the administration appointment.
- Issuing instruction letters to Evolve and CAM.

Administrative Set Up

- Initial correspondence in relation to the administration and preparing the Joint Administrators' working files.

Chargeholder

- Liaising with Growth Lending in relation to the security held against the Company, the proposed strategy of the appointment and regular updates regarding the administration strategy.

Court related issues

- Liaising with Weightmans LLP regarding the timelines and strategy to have the notice of intention to appoint Joint Administrators prepared, signed and filed as well as the notice of appointment of Joint Administrators.

JOINT ADMINISTRATORS' FEES ESTIMATE INCORPORATING TIME INCURRED TO 26 JANUARY 2024

	FEES ESTIMATE			INCURRED TO 26 JANUARY 2024		
	Total			Total		
	Units	Cost	Average hourly rate	Units	Cost	Average hourly rate
	No	£	£	No	£	£
Statutory & Review	451	15,626.50	346.49	26	479.00	184.23
Receipts & Payments	175	6,198.00	354.17	10	175.00	175.00
Insurance, Bonding & Pensions	245	8,222.50	335.61	15	394.50	263.00
Assets	2,486	92,933.00	373.83	80	4,251.50	531.44
Liabilities	1,849	66,038.50	357.16	145	5,859.00	404.07
Landlords	12	465.00	387.50	-	-	-
Debenture Holder	155	6,612.50	443.75	-	-	-
General Administration	1,075	34,912.50	324.77	190	7,488.00	394.11
Appointment	119	3,425.00	287.82	119	3,425.00	287.82
Planning & Strategy	215	9,365.00	435.58	54	2,551.50	472.50
Post Appointment Creditors Decisions	850	26,087.50	306.91	356	9,854.00	276.80
Investigations	105	3,360.00	320.00	-	-	-
Case Specific	185	7,702.50	416.35	8	332.00	415.00
	7,922	280,948.50	354.64	1,003	34,809.50	347.05

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 will ensure that the case is managed efficiently and resourced appropriately, which will be of benefit to all creditors. The work to be carried out under this category will comprise the following:

- Case management reviews. These will be carried out periodically throughout the life of the case. In the early stages of the case this will involve weekly team meetings to discuss and agree case strategy and a month 1 review by the firm's Compliance team to ensure that all statutory and best practice matters have been dealt with appropriately. As the case progresses we will as a minimum carry out three monthly and six monthly reviews to ensure that the case is progressing as planned.
- Allocation of staff, management of staff, case resourcing and budgeting.
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9;
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice;
- The team is required under the Company Directors' Disqualification Act 1986 to review the Company's records and consider information provided by creditors on the conduct of the all directors involved in the Company during the three years leading up to the insolvency. This will result in the preparation and submission of statutory returns or reports on all directors to the Insolvency Service. Evidence of unfit conduct can result in directors being disqualified for periods of up to 15 years;
- Review of directors' sworn statement of affairs and filing of document at Companies House in accordance with statutory requirements; and
- Completion of case closing procedures at end of the case.

Time to 26 January 2024 has been spent attending to statutory matters and ensuring the case is being progressed appropriately.

Receipts and Payments

This category of work will not result in a direct financial benefit for creditors. However, close monitoring of case bank accounts is essential to ensure that bank interest is maximised where possible, estate expenses are properly managed and kept to a minimum and amounts payable to creditors are identified and distributed promptly.

- Opening of case bank accounts;
- Management of case bank account to ensure compliance with relevant risk management procedures;
- Regular review of case bank account by senior member of staff to ensure that fixed and floating charge assets have been properly identified and prescribed part funds have been set aside where appropriate;
- Preparation of periodic receipts and payments accounts for inclusion in statutory reports;
- Timely completion of all post appointment tax and VAT returns;
- Managing estate expenses; and
- Preparation and review of a number of periodic Estimated Outcome Statements ("EOS"), which will be used to monitor the progress of asset realisations and the administration generally.

Time to 26 January 2024 has been spent opening the case bank account, preparing and updating the EOS and arranging payments of invoices received.

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 insurance and 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.

- Periodic review of insurance requirements over physical assets, to minimise costs to the estate;
- Calculation and request of joint administrators' bond in accordance with the Insolvency Practitioners' Regulations 2005. A Bond is a legal requirement on all administrations and is essentially an insurance policy to protect creditors against the fraud or dishonesty of the Insolvency Practitioner. The bond is calculated by reference to the value of assets which are estimated before costs to be available to unsecured creditors;
- 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;
- Completion and submission of statutory notifications under the Pensions Act 2004. This includes liaising with the Company directors to establish the existence of Company pension schemes, making the statutory notifications under s22 and s120 of the pensions legislation; liaising with pensions providers to understand the nature of the scheme, and submitting claims to the Redundancy Payments Service for reimbursement of unpaid contributions to the scheme.
- Liaising with pension companies to arrange for prompt wind up of schemes.

Time to 26 January 2024 has been spent calculating the Joint Administrators' bond to ensure appropriate cover. Time has also been incurred in obtaining details of the current pension position and instructing Evolve to assist with the wind down of the scheme, as well as the required S120 notification to the Pension Protection Fund, Pensions Regulator and the Trustees of the Pension Scheme.

Assets

The work set out in this category may bring a financial benefit for creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be set aside for the benefit of unsecured creditors) or may, depending on realisations, costs and the extent of any 3rd party security, result in a distribution to the preferential and / or unsecured creditors.

- Agreeing strategy for realisation of Company assets- time has been spent arranging valuations of Company Assets and liaising with Recovery First and Minster Law in relation to the recoverable WIP;
- Instruction of and liaising with agents as required – under the terms on the Monitor Agreement, Recover First are instructed to monitor the progress of the WIP matters. Recovery First will provide the Joint Administrators with regular reviews. CAM, asset valuers supported by RICS registered professionals, were instructed to provide a valuation of the Physical Assets;
- Book Debts – time will be spent undertaking an assessment of the Book Debts to ascertain an appropriate level. Upon the completion of the assessment, the appropriate steps will be taken in order to realise the Book Debts, if necessary;
- Time will spent advising clients which panel firm their case has been transferred to;
- Liaising with Company's bankers re pre-appointment bank accounts;
- Identification and return of third party assets.

Time to 26 January 2024 has been spent liaising with the Company's bank to ensure remittance of any credit balances held, liaising with agents regarding Company asset valuations and liaising with the Director regarding Company client matters and the transfer of cases.

Time has also been spent liaising with Recovery First with regards to the WIP values and requesting an update.

Liabilities

This category of time includes both statutory and non-statutory matters and will not necessarily bring any financial benefit to creditors generally. The more employees and creditors a company has, the more time and cost will be involved in dealing with those claims.

Statutory

- Processing of claims from the Company's creditors- all claims received from the Company's 44 unsecured creditors will be logged. Claims are not being formally agreed at this stage as they will be agreed by a subsequently appointed liquidator should a dividend be payable to unsecured creditors;

- Processing of claims from the Company's employees – processing and submitting the employee claims. The Joint Administrators have instructed Evolve to submitted the RP14 and RP14a forms to the Redundancy Payments Service;
 - Reviewing and formally adjudicating upon the Secondary Preferential claim submitted in the Administration and facilitating the dividend distribution to the Secondary Preferential creditor;
 - Reviewing and formally adjudicating upon the unsecured creditor claims submitted in the Administration in order to facilitate the Prescribed Part Distribution to the unsecured creditors;
 - Preparation and submission of periodic progress reports to creditors- It is anticipated that the administration will last for the standard 12 months, as such in addition to this report, there will be two progress reports which will be prepared during the lifetime of the case.
- Non-statutory
- Dealing with enquiries from the Company's creditors- this will include dealing with creditors general queries by post, telephone and email.
 - Dealing with enquiries from the Company's employees.

Time to 26 January 2024 has been spent dealing with queries from the Company's creditors, logging claims and liaising with the Company's HR manager regarding employee information.

Time has also been spent liaising with Evolve in regards to employee and pension matters, reviewing and submitting the RP14 and RP14a.

Landlords

The work summarised below will not necessarily result in any financial benefit for all creditors but is required to ensure that the Company's affairs are dealt with in an orderly and efficient manner.

- Review of current leases in respect of Company premises; and
- Liaising with landlords in respect of premises.

Debenture Holder

- Time will also be spent providing Growth Lending with any relevant updates in respect of the Administration.

General Administration

This category of work does not result in a direct financial benefit for creditors; however it is necessary for these tasks to be completed in order to ensure the smooth and efficient progression of the administration:

- General planning matters;
- Setting up and maintaining the Administrators' records;
- Arranging collection and storage of company records and;
- Dealing with general correspondence and communicating with directors and shareholders.

Time incurred to 26 January 2024 has been spent dealing with work that could not be attributed to a specific category. This included:

- Liaising with the internet supplier in respect of the IT access;
- Reviewing the closed cases for clients;
- Liaising with clients in respect of the status of their cases;
- Liaising with email provider in respect of cyber security; and
- Putting a mail redirection in place.

Appointment

There are certain tasks which the Joint Administrators have a statutory obligation to undertake during the administration process. Other tasks are completed in order to ensure the administration is progressed to

the benefit of all creditors and stakeholders. Actions completed to date are both statutory and non-statutory and include the following; they will not result in a direct financial benefit for creditors:

- Statutory notifications to creditors and other interested parties following the administrators' appointment;
- Preparation of case plan; and
- Formulation of case strategy, including recording of any strategic decisions.

Time to 26 January 2024 has been spent informing all necessary parties of the Administration by way of completing internal checklists.

Planning and Strategy

- Time will be spent monitoring the strategy for the Administration to ensure that the objective continues to be achieved.

Time to 26 January 2024 has been spent liaising with the Solicitor Manager in respect of ongoing strategy.

Post Appointment Creditors' Decisions

This category of activity encompasses work undertaken for statutory reasons. This work will not directly result in any financial benefit for creditors.

- Preparation of Joint Administrators' Proposals for achieving a statutory purpose of the administration;
- Preparation of Fees Estimate and Statement of Expenses in accordance with Insolvency (England and Wales) Rules 2016; and
- Convening a decision by correspondence to agree Fees Estimate with appropriate body of creditors;
- Reporting on outcome of voting.

Time to 26 January 2024 has been spent drafting and reviewing the Joint Administrators' Report and Statement of Proposals.

Investigations

Some of the work administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 ("CDDA") and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations. It may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Administrator can pursue for the benefit of creditors.

- Collecting and reviewing the Company's records.
- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations and enable the submission of returns due under the Company Directors Disqualification Act 1986.

Case Specific

Time incurred to 26 January 2024 has been spent obtaining information from the company's in-house accountant with regards to the Company and its clients.

JOINT ADMINISTRATORS' STATEMENT OF LIKELY EXPENSES

Standard Expenses

Type	Description	Amount £
Bond Fee	Insurance bond	150.00
Document Hosting	Hosting of documents for creditors.	56.00
Software Licence Fee	Case management system licence fee.	87.00
Statutory Advertising	Advertising	101.70
Storage Costs	Storage of books and records	1,584.38
Post redirection	Redirection of post	684.00
Postal Costs	Cost of posting letters	180.00
	Total standard expenses	2,843.08

Case Specific Expenses

Type	Description	Amount £
Consultancy Fees	Transfer of client files and ad hoc work	30,161.00
Agents Fees	ERA work and dealing with pension scheme	950.00
Agents Fees	Bank statement analysis	400.00
Legal Fees	Costs of appointed solicitors	5,855.00
Agents Fees	Investigating refund from the local authority in respect of non-domestic rates refund	25% on any refund
Hosted Desktop Fees	Hosted Desktop Fee and Licence Fee	30,701.54
Email Service Fee	Ongoing service of Company email account	931.94
Agents Fee	Valuation of physical assets and collection of books and records	1,600.00
Agents Fee	Monitoring WIP	15% of WIP realisations

Accident Claims Lawyers Limited - In Administration

Agents Fees	Monitoring Book Debts	10% of debt collections
Solicitor Manager	Controller of client monies	55,000.00
	Total case specific expenses	125,599.48

ESTIMATED OUTCOME STATEMENT

	Preferential	Secondary Preferential	Secured – Floating	Unsecured
	£'000	£'000	£'000	£'000
Amount estimated to be available to class of creditor	1,504	1,475	1,066	270
Amount due to creditor per Appendix B	(29)	(116)	(2,700)	(2,186)
Estimated dividend rate (as a %)	100%	100%	39%	12%

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 Leonard Curtis 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, Pelstar Limited (Pelstar) provides insolvency case management software and document hosting facilities to LC. Until 31 December 2022, LC employed an individual who is married to a director of Pelstar, and as such, whilst not meeting the legal definition of "Associate", we were aware that there was a perceived association between LC and Pelstar and specific approval of their costs were sought accordingly. As this individual is no longer employed by LC, this is no longer required and Pelstar costs invoiced with effect from 1 January 2023 will be paid without prior approval.

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.

Accident Claims Lawyers Limited - In Administration

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	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.	Type
		First 100
		Each addtl 10
		ADM £14.00 £1.40
		CVL £7.00 £0.70
		MVL £7.00 £0.70
		CPL £7.00 £0.70
Software Licence fee hosting via Pelstar Limited	Payable to software provider for use of case management system. The costs are commensurate with those charged by other providers of comparable services.	CVA £10.00 £1.00
		BKY £10.00 £1.00
		IVA £10 pa or £25 for life of case
Postage via Royal Mail or Postworks	Cost of posting documents which are directly attributable to a case to external recipients	£87.00 plus VAT per case
Post re-direction via Royal Mail	Redirection of post from Company's premises to office-holders' address	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.
Statutory advertising via advertising agents	Advertising of appointment, notice of meetings etc. - London Gazette - Other	0-3 months £216.00 3-6 months £321.00 6-12 months £519.00
Storage costs	Costs of storage of case books and records	£91.80 - £102.00 plus VAT per advert. Dependent upon advert and publication
		£5.07 plus VAT per box per annum plus handling charges

- 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	Time costs plus disbursements plus VAT

Accident Claims Lawyers Limited - In Administration

	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.	
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

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.

Proof of Debt – General Form

Relevant date: 11 December 2023

claims.manchester@leonardcurtis.co.uk quoting ref: AD18K/JTO/PROOF

Name of Company in Administration:

Accident Claims Lawyers Limited

Company registered number:

12965243

1. Name of creditor (if a company, provide registration number)

2. Correspondence address of creditor (including email address)

3. Total amount of claim (£) at relevant date (include any Value Added Tax)

4. If amount in 3 above includes outstanding uncapitalised interest, state amount (£)

5. Details of how and when the debt was incurred (if you need more space attach a continuation sheet to this form)

6. Details of any security held, the value of the security and the date it was given

Accident Claims Lawyers Limited - In Administration

7. Details of any reservation of title claimed in respect of goods supplied to which the debt relates

8. Details of any document by reference to which the debt relates

9. Signature of creditor (or person authorised to act on the creditor's behalf)

10. Date of signing:

11. Address of person signing (if different from 2 above)

12. Name in BLOCK LETTERS

13. Position with, or relation to, creditor

Notes:

1. There is no need to attach them now but the office-holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.
2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office-holder. If completing on behalf of the company, please state your relationship to the company.
3. Please e-mail completed form to:

claims.manchester@leonardcurtis.co.uk quoting ref: AD18K/JTO/PROOF