

WU07

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



Companies House

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1 Company details

Company number 0 2 5 2 6 0 2 8

Company name in full Changtel Solutions UK Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Nicholas Edward

Surname Reed

3 Liquidator's address

Building name/number Floor 2

Street 10 Wellington Place

Post town Leeds

County/Region

Postcode L S 1 4 A P

Country

4 Liquidator's name ①

Full forename(s) Julie

Surname Palmer

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Floor 2

Street 10 Wellington Place

Post town Leeds

County/Region

Postcode L S 1 4 A P

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 0	^d 5	^m 0	^m 6	^y 2	^y 0	^y 2	^y 2	
To date	^d 0	^d 4	^m 0	^m 6	^y 2	^y 0	^y 2	^y 3	

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
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8 Sign and date

Liquidator's signature	Signature X  X								
Signature date	^d 0	^d 3	^m 0	^m 8	^y 2	^y 0	^y 2	^y 3	

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **George Cotton**

Company name **Begbies Traynor (Central) LLP**

Address **Floor 2**

10 Wellington Place

Post town **Leeds**

County/Region

Postcode

L	S	1		4	A	P
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Country

DX

Telephone **0113 244 0044**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

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DX 33050 Cardiff.

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Changtel Solutions UK Limited (In Compulsory Liquidation)

High Court of Justice No. 2013-4093

Progress report

Period: 5 June 2022 to 4 June 2023

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the Liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Changtel Solutions UK Limited (In Compulsory Liquidation)
"the Liquidation"	The appointment of Liquidators by the Secretary of State pursuant to Section 137 of the Act on 5 June 2015.
"the Liquidators", "we", "our" and "us"	Nicholas Edward Reed of Begbies Traynor (Central) LLP, Floor 2, 10 Wellington Place, Leeds, LS1 4AP and Julie Anne Palmer of Begbies Traynor (Central) LLP, Hilltop Business Park, Units 1 to 3, Devizes Rd, Salisbury SP3 4UF
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	Enta Technologies, ENTA
Company registered number:	02526028
Company registered office:	Floor 2, 10 Wellington Place, Leeds, LS1 4AP
Former trading address:	Stafford Park 6, Telford, Shropshire, TF3 3AT

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date of winding up order:	28 January 2015
Date of Liquidators' appointment:	5 June 2015

4. PROGRESS DURING THE PERIOD COVERED BY THIS REPORT

Summary of winding-up and the Appointment of Liquidators

As detailed in our previous reports, the Company was wound-up on 29 January 2015 by the Court of Appeal, following the presentation of a petition by HM Revenue & Customs ("HMRC") on 7 June 2013 ("the Petition Date") in respect of the Company's VAT liabilities. The Liquidation followed a protracted period of assessments in relation to the Company's trade in electronic and computer components and associated Missing Trader Intra-Community ("MTIC") VAT fraud.

Julie Palmer and I subsequently were appointed Joint Liquidators on 5 June 2015 by the Secretary of State.

As set out in our previous report, to date the Liquidation has required the analysis of a very significant number of transactions which occurred in period leading up to the appointment of us as Liquidators. These transactions include significant dispositions of the Company's property which are void under Section 127 of the Act ("s.127 dispositions") and funds that were misappropriated from the Company. This Liquidation is a complex matter involving actions across multiple jurisdictions. The most substantial advancement relates to the substantive claims brought jointly by the Liquidators and the Joint Trustees of Ji-Chuen Jason Tsai (in Bankruptcy) ("the Trustees"), which were issued during the period covered by our previous reports ("the Issued Claims") and a full update is provided below.

We have continued to keep the major creditor fully apprised of our strategic decisions and progress achieved in respect of the various ongoing aspects of the Liquidation.

This is our eighth progress report and should be read in conjunction with our previous progress reports.

Litigation Update

As previously reported, the Liquidators and Trustees have made a series of filings at Court, comprising the Issued Claims; Freezing and Proprietary applications against certain defendants and an application for Default Judgement in connection with the Issued Claims.

As discussed previously, there were 13 defendants to the Issued Claims, each of which is either a relation of Jason Tsai, the Company's former director, or an entity which appears to have been at some point under the direct or indirect control of Jason Tsai.

The Liquidators' and Trustees' amended consolidated points of claim was prepared and filed at Court on 2 June 2020. Following the issue of the claims, John and Ruth confirmed that they intended to defend the proceedings in the UK and, in doing so, submitted to the jurisdiction of the English Courts. Subsequently, steps were taken to obtain Freezing and Proprietary Orders (a form of injunctive relief) against several defendants and more information in this respect is set out below.

The further background information pertaining to the Issued Claims and the responses of various defendants has been provided previously and are not repeated here.

Freezing and Proprietary Order Applications

As discussed above, applications were made for Freezing and Proprietary Orders and Orders were subsequently granted by the Court to prohibit asset dissipation by the relevant defendants in respect of certain assets over which the Liquidators and Trustees asserted proprietary claims.

Following the making of the Freezing and Proprietary Orders, certain of the defendants (primarily those based in Taiwan) ceased all contact with the Liquidators, Trustees and our solicitors and appear to have taken active

steps to evade service of documentation relating to those proceedings. This trend has continued in respect of the further application discussed below.

Default Judgement, Enforcement and Update on Major Recoveries

As certain of the defendants did not file their evidence by the extended deadline of 25 October 2020, the Trustees and Liquidators also applied for Default Judgement against those defendants. That Default Judgement application was heard on 4 May 2021 and the requested Orders for Default Judgement were granted by the Court in the quantum sought against the relevant defendants in the sums requested. This information is not repeated here.

The Liquidators have subsequently taken steps to enforce the Default Judgement against known assets outside the jurisdiction of the United Kingdom, including in Hong Kong, where substantial monies were held in bank accounts registered in the name of Ruth Tsai and certain of the corporate defendants to the Issued Claims.

Hong Kong

We are pleased to confirm that in April 2023 the sum of £5,974,489 was recovered in two tranches from bank accounts held in the name of the corporate defendants following a series of actions taken in conjunction with our Hong Kong solicitors, Tanner De Witt, legal counsel and advice from our UK solicitors, Walker Morris.

We are also pleased to confirm that on 31 July 2023, immediately prior to the circulation of this report and outside the reporting period, we received confirmation from Tanner De Witt that the further sum of £6,197,985 had been recovered into their client account from bank accounts held in the name of Ruth Tsai.

Further details regarding these realisations, the steps taken and the relevant costs incurred is detailed below in the body of this report.

John Tsai – Chapter 7 US Bankruptcy

As previously confirmed, in September 2020 John Tsai filed for bankruptcy protection in the United States (“the US”) under Chapter 7 of the US Bankruptcy Code. Comments regarding the automatic stay usually afforded by the same have been discussed in our previous report and we confirm that the Liquidators obtained Default Judgment against John Tsai in May 2021, which was immediately served on John Tsai and a claim submitted in his US Bankruptcy estate in the sum of \$72,435,108.

We are pleased to confirm that on 14 April 2023 the sum of £1,606,760 was received as an initial distribution to the Liquidation estate as creditor in John Tsai’s US Bankruptcy Estate.

Further detail regarding these realisations, the steps taken and the relevant costs incurred is detailed below in the body of this report.

The ultimate recoveries arising from those actions is yet to be fully determined and an update will be provided in due course.

Settlement with Andrew Tsai and Pui-Lai Tsai

Creditors may recall from our previous report that the Liquidators entered into settlement with Andrew and Pui-Lai Tsai (“A&PLT”) in respect of the Issued Claims. Further information pertaining to the background and settlement terms was set out previously, however we are pleased to confirm that the full amount owing under that settlement was received on 25 July 2022, in the sum of £970,332.

This concludes matters in relation to A&PLT.

Note on the Liquidator and Trustee Positions

The Default Judgment was sought on the basis of compelling evidence that the acquisition of assets and balances of funds held could be traced to monies misappropriated from the Company. As such, on recovery, these relevant assets fall within the Liquidation estate. The Trustees elected not to incur the considerable costs of particularising their own separate claims, given there would be no obvious benefit to the Bankruptcy estate. Instead, the Trustees asked the Court to adjourn the assessment of their own claims with liberty to restore, should the Trustees be so advised.

The above provides an update in respect of the Issued Claims, the enforcement of the Default Judgement and outcome of certain other specific actions. A wider update in respect of the other various ongoing matters in the Liquidation, plus additional detail pertaining to the above, is set out below.

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 5 June 2022 to 4 June 2023.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment.

The details below relate to the work undertaken in the period of the report only. Our previous reports contain details of the work undertaken since our appointment.

General case administration and planning

Regular case and compliance reviews have been conducted during the period to ensure that the Liquidation is being progressed both efficiently and appropriately and that all ongoing workstreams are being appropriately addressed. We have continued to maintain our digital and physical case files and have ensured any key decisions which may materially affect the case have been fully documented on the same.

Internal case strategy meetings have been held between our insolvency staff to ensure ongoing workstreams are being progressed in line with the overall agreed strategy. Where required, we have liaised regularly with our appointed solicitors, Walker Morris LLP (in the UK), Sequor Law (in the US) and Tanner De Witt (in Hong Kong) to plan and progress the various ongoing workstreams, particularly those taking place overseas, further details of which are set out below.

Whilst costs in this category do not directly generate realisations into the estate, they are critical to the overall strategy of maximising recoveries in the most efficient manner possible.

During the period, time costs of £89,676 have been incurred in association with the above actions. Whilst our overall costs for the period have not exceeded our annual fees estimate (see the following sections for further details in this regard), costs under this specific heading have exceeded those previously estimated, predominantly due to the amount of time which had to be invested in dealing with strategic decisions on matters outside the UK, such as the United States and in relation to the enforcement of the Default Judgement in Hong Kong.

Legal and Counsel Costs

A full schedule of our legal costs is set out at Appendix 3 of this report, however a brief note is also set out below.

Walker Morris LLP ("WM"), who have provided professional assistance in all areas of the Liquidation have incurred costs in the sum of £209,599 during the period. Legal costs updates have been provided to the major creditor on a quarterly basis, in addition to a detailed analysis of the work undertaken.

Walker Morris have been paid £147,118 during the period. As with amounts paid in prior reports, a proportion of the payments made to WM during the period of this report relates to costs which were incurred in previous periods due to the rolling nature of the ongoing matters in the case.

Tanner De Witt have incurred costs of approximately £193,951 in connection with their assistance in Hong Kong, particularly in conjunction with our international enforcement actions (further details provided below). Against their costs Tanner De Witt have been paid £181,925 during the period. Please note that these payments relate to both current and historic costs and therefore do not reconcile with the year's incurred costs.

Lee & Li are a Taiwan based law firm, who have advised the Liquidators and our Hong Kong solicitors on service provisions in Taiwan (where certain of the defendants are located) in addition to matters specific to Taiwan law. They have been paid the sum of £31,110 against costs incurred in the period.

As previously confirmed, Sequor Law and Carlyon Cica are our appointed solicitors in the US and have provided legal advice and representation in respect of various workstreams and further details are set out below regarding actions in the US.

Sequor Law remain our main legal advisers in the US, and Carlyon Cica provide specific assistance in respect of local Nevada legal matters, relevant specifically to the Bankruptcy of John Tsai.

As is detailed below, during the period we have incurred combined costs in the sum of approximately £137,471 over the last twelve months with Sequor Law and Carlyon Cica. We have paid Sequor and Carlyon Cica the respective sums of £206,359 and £10,404 during the same period. These costs have been exclusively incurred in connection with the John Tsai actions discussed below. Costs in prior periods also related to recognition of the Liquidation and Bankruptcy estates in the US.

The costs relating to our non-UK solicitors are listed as approximate amounts because the pound sterling is not the operative currency for these firms and, as such, the pound sterling equivalent of the amount invoiced to us in local currency differs from the ultimate pound sterling cost due to the fluctuation in exchange rate between the relevant date(s) of settlement.

Details of other legal-related costs, such as disbursements, court fees, travel expenses and search costs may be found in the Receipts and Payments account at Appendix 2 and our Schedule of Expenses at Appendix 3.

Counsel fees in the sum of £42,107 have been incurred and paid during the period. These costs cover a wide range of ongoing matters in the Liquidation, however the majority of these relate to the Issued Claims, the enforcement of the Default Judgment and the international actions pertaining to John Tsai and the further known assets in Bulgaria and Turkey and are discussed in more detail later in this report.

Other costs

During the period covered by this report the following further administrative costs have been incurred and paid.

Cost Narrative	Amount	Notes
Storage Costs	£710.61	These costs have been incurred with our storage partner, Restore plc for the storage of the Company's books and records in addition to certain of our hard copy working files.

Compliance with the Insolvency Act, Rules and best practice

In order to comply with our statutory duties we have prepared our previous annual progress report dated 2 August 2022 and made a copy available to creditors and members. A copy has also been filed with the Registrar of Companies.

All monies received into the Liquidation have been paid into the Insolvency Services Account ("ISA"), in line with statutory requirements, except those held by our agents to defray direct costs. Payments recorded in the attached Receipts and Payments account that are relevant to this area of costs are as follows:

Cost Narrative	Amount	Notes
DBIS Audit Fees	£88	Quarterly banking fees for the ISA
DBIS Cheque Fees	£27	Costs associated with payment made from the ISA

In addition to the above, international transfer fees of £67 have been incurred in connection with the below discussed transactions. Our statutory bond continues to be held at the maximum level available and so is not restricted by an upper limit and is maintained in order to protect creditors' interests in the Liquidation estate.

During the period covered by this report, approximately £24,274 has been expended dealing with matters arising under this heading, which is slightly more than the amount previously forecast in our fees estimate which was due to an increase in chargeout rates during the period.

Whilst these actions may not necessarily directly led to realisations, these actions are required by statute and are therefore unavoidable tasks which require to be undertaken.

Investigations and Asset Realisations

The Liquidation remains a highly complex case, with ongoing workstreams spanning several jurisdictions and continents.

As has been done in previous periods, we have continued to hold vast quantities of financial and other records which we consider are relevant to our ongoing investigations and asset recovery strategy and have been referred to and reviewed as and when required during the period in connection with our ongoing workstreams, which has positively contributed to the same, including the enforcement of the Default Judgment and actions relating to John Tsai's Bankruptcy in the US.

An update as regards the individual investigative and asset recovery actions is provided below in summary form, however please note that this summary has only been provided for actions where we are able to provide the same without prejudicing potential future recoveries.

Disposals of the Company's property – s.127 Matters

As creditors may recall from our previous reports, the Company's activities continued after the Petition Date. In accordance with Section 127 of the Act, any disposition of the Company's property between the Petition Date and the making of the winding-up Order is void, unless validated by the Court.

In our previous report, we confirmed that an application to Court to seek relief under s.127 of the Act had been issued on 22 January 2021, namely to seek an Order of the Court requiring the recipients of the void payments to repay them. We also issued a separate application to Court requesting an Order for Uncontested Disposal

(similar to a default judgement) to deal with the claims against the respondents who did not engage with the proceedings. Both applications were listed for hearing in December 2021.

As discussed in our previous report, the main application was defended by one respondent and the matter therefore proceeded to trial, which lasted for several sessions, however the Court ultimately found in our favour and the defendant made payment to us on account of the void dispositions, plus interests and costs. Further details pertaining to the s.127 void disposition matters and the financial outcome in this regard may be found in our previous reports.

As this workstream is complete, no further recovery actions have taken place during the period covered by this report, however the Liquidators and Walker Morris have undertaken a review of the settlement agreements of the recipients to confirm specific details pertaining to their right to claim in the Liquidation, which is relevant to the notice of intended dividend which has been recently issued, as described in further detail below.

International Actions - *The United States of America ("the US")*

As previously reported, after consulting with the major creditor, it was agreed that a joint application would be pursued under Chapter 15 of the US Bankruptcy Code to seek local jurisdictional recognition of the Liquidation and Bankruptcy estates to progress various actions in connection with our investigations.

Further background information is provided in our previous reports and has not been included in this report for reasons of efficiency.

Update on Actions in the US

During the period covered by this report settlement negotiations took place between John Tsai's US Chapter 7 Bankruptcy Trustee, John Tsai's appointed legal counsel and various other parties, including Sequor Law acting on our behalf and with the strategic input of Walker Morris.

Whilst we are unable to detail the entirety of our actions, meetings and discussions in relation to this workstream, we are able to confirm that it has been an involved process due to the complex nature of the affairs of John Tsai and the number of parties and representatives included in the settlement discussions. Further, due to the specifics of the procedure in the US, all settlements require to be approved by the US Bankruptcy Court, which delays the process.

Alongside the settlement discussions, there were various legal actions which needed to be undertaken by our US solicitors regarding the extant legal proceedings brought by both the Liquidators and John Tsai's counsel, which were ultimately stayed to achieve a settled outcome.

In view of the public nature of this document we are restricted as to what we can confirm regarding the recent asset position of John Tsai and the various transactions which had taken place, we can note that a number of assets were outside the jurisdiction of the US and a number were brought to our attention after he filed for Bankruptcy.

We are, however, pleased to confirm that a final global settlement was agreed between the relevant parties (including John Tsai's estate and the Liquidators), which was entered into and subsequently ratified by the US Bankruptcy Court on 26 January 2023. On 14 April 2023 we received the sum of £1,606,760 in respect of an initial dividend from the US Bankruptcy estate of John Tsai. There may be further minor realisations in due course relating to residual US based assets which the US Bankruptcy trustee is dealing with, however the final outcome is presently unknown.

In view of the jurisdictional and procedural differences, we were required to review all settlement documents in detail and with significant input from our solicitors in both the UK and the US. Further, and in view of the number of parties involved in the settlement discussions, significant redrafting and legal discussion took place between the parties. Whilst we cannot set out the terms of the settlement in detail, we can confirm that it provided for John Tsai's release from potential claims in the Liquidation estate. However the terms of the

settlement also bound John Tsai to assist the Liquidators and the Trustees in relation to other further specific matters.

Given the current position of this matter, we are unable to provide any further information at this time. However, we will continue to keep creditors fully apprised of our actions and the outcome of the same in future progress reports.

As noted above, we have incurred combined costs with our US solicitors in the sum of approximately £137,471 over the last twelve months and have paid Sequor and Carlyon Cica the respective sums of £206,359 and £10,404 during the period.

The above is a summary of the actions taken and the matters investigated in the US and John Tsai's US Bankruptcy during the period, however this is not an exhaustive list of the actions taken.

International Actions - Other Jurisdictions

As creditors may recall, there were other ongoing actions in various other jurisdictions. Specific matters pertaining to overseas properties are outlined separately in the following section.

We have continued to monitor the costs associated with our international actions, to ensure they remain proportionate with the actions and ultimate recoveries being pursued. Further information regarding the costs we have incurred is set out at section seven of this report.

Hong Kong

As discussed in our previous reports, following receipt of the Default Judgment in favour of the Liquidators and Trustees, steps were taken to enforce the same against assets held in various jurisdictions in the names of certain of the defendants.

We are now in a position to confirm that by far the most valuable of the known assets were monies frozen in Hong Kong bank accounts registered in the name of Ruth Tsai, Jason Tsai's estranged wife, and two non-UK registered corporate entities in the sum of approximately £12.2m ("the HK Funds"). The funds were frozen pursuant to injunctive relief sought and obtained by the Liquidators in 2017 ("the HK Freezing Order") to protect monies traceable to the Company and the MTIC fraud perpetrated by the Company's director Jason Tsai.

The Liquidators, Walker Morris and various other legal firms (details below) have been seeking to enforce the Default Judgement against the HK Funds since the making of the order, in order to recover the HK Funds into the Liquidation estate. Due to the nature of the claims, the relevant jurisdictions involved, the legal environment of the same and the evasive actions taken by the respondents to avoid service this has been a very time intensive and involved process.

We have required detailed legal advice throughout the procedure and needed to obtain specific advice of counsel in Hong Kong and Taiwan.

In short, to enable the HK Funds to be recovered into the Liquidation estate, we have had to take the following steps in Hong Kong:

- We had to first obtain a debt judgment against the relevant parties with frozen funds held in their names. The application for this debt judgment was based on the findings of / evidence presented to the English Court when it granted the Default Judgment against the defendants, including Ruth Tsai and the two non-UK registered corporate entities noted above, in 2021. Those orders were subsequently obtained;
- We then had to obtain initial and final 'garnishee orders', which permitted the Liquidators to enforce the debt judgment against specifically identifiable assets/monies (in this case the HK Funds);

- Once the final garnishee orders were obtained, we had to go through final procedural stages to vary the terms of the HK Freezing Order so as to allow the Hong Kong banks to actually pay funds out to the Liquidators; and
- Following the approval by the Hong Kong Court to vary the terms of the HK Freezing Order, the relevant banks were able to remit the HK Funds to the Liquidators (by payment into the client account of Tanner De Witt).

As noted above, we are pleased to confirm that the sum of £5,974,489 was received into the Liquidation estate in April 2023 from accounts held in the name of the two corporate defendants. Additionally, and immediately prior to the circulation of this report, the further sum of £6,197,985 was recovered into the client account of Tanner De Witt from bank accounts held in the name of Ruth Tsai, and will soon be transferred to the Liquidation ISA. This constitutes the entirety of the HK Funds (minus a nominal amount of fees deducted by the Hong Kong banks which maintained the various accounts) and no further realisations are presently expected in this regard.

We are continuing to review this workstream to consider whether any additional actions may be available to us which could assist us with our ongoing investigation and enforcement actions.

Creditors should note that the above is a summary of the actions taken by the Liquidators and our solicitors in respect of this workstream and does not detail every action required, particularly in relation to dealing with the service issues presented by the defendants which were experienced in relation to each application which, ultimately, led us to obtain an order for substituted service. Further information in this regard is available on request, however we would confirm that significant legal advice was required in this regard.

As noted above, Tanner De Witt have incurred costs of approximately £193,951 in connection with their assistance in Hong Kong. Against their costs Tanner De Witt have been paid £181,925 during the period. Please note that this payment relates to both current and historic costs associated with the enforcement action, and costs incurred in previous periods have been disclosed in prior reports. As a result, the costs paid and therefore do not reconcile with the year's incurred costs.

Lee & Li are a Taiwan based law firm, who have advised the Liquidators and our Hong Kong solicitors on service provisions in Taiwan in addition to matters specific to Taiwan law. They have been paid the sum of £31,110 against costs incurred in the period.

We would note that due to the nature of their instruction, the service costs associated with serving the Hong Kong applications on the relevant defendants were incorporated within the headline costs of Tanner De Witt and Lee and Li, which were expensive due to the multi-jurisdictional nature of the matter.

Property Matters

Apartment 332 Canal Wharf, 14 Waterfront Walk, Birmingham ("Apartment 332")

Creditors may recall from our previous reports that, following a settlement agreement with Andrew and Pui-Lai Tsai, Apartment 332 was transferred to the Liquidators and had a tenant in-situ. That tenant was subsequently evicted due to non-payment of rent and we obtained a money judgment against him.

During the period covered by this report we have reviewed the position and have concluded not to take further action against the tenant due to the expected costs of locating and serving the tenant, plus the additional court and legal costs which would be relatively high when compared with the monetary value of the debt, particularly in view of the unknown asset position of the tenant and other relevant matters brought to our attention.

We previously confirmed that whilst the above actions were ongoing to obtain possession, we liaised with our agents Eddisons Commercial Limited ("Eddisons") extensively and have sought their formal advice on the next steps regarding the property. Whilst the initial advice was to seek the sale of Apartment 332, with vacant possession, market conditions and matters specific to the property's external cladding meant that this approach

was revised to seek a tenant on an assured shorthold tenancy, whilst the cladding position is clarified, to then subsequently seek a sale in due course with either a tenant in-situ, or by vacant possession. We are advised that this position remains the same and that any sale of Apartment 332 at the present time would likely force the Liquidators to crystallise a substantially lower value than compared to recent valuations, which the Liquidators do not consider is in the best interests of the estate given the holding costs of the property and the ability to take on a tenant on a short-term basis. We have continued to report on this short-term strategy with the major creditor separately.

Accordingly, we engaged Eddisons and a local agent to bring this property to the letting market and a tenant was subsequently identified and contracts signed. During the period we have received rent in the sum of £7,200, in addition to a refundable deposit of £1,385.

Ongoing costs include service charge payments of £3,702, plus initial set up, refurbishment and maintenance costs of £2,756 which have been incurred and paid to Smile PM. Additionally, the sum of £799 has been paid for the registration, inventory and initial inspection costs with the local agent, Wentworth & Rose who have been commissioned to manage the property on our behalf. Management costs incurred during the period total £1,050 with Wentworth & Rose.

Prior to the letting of the property, we were required to procure security and insurance compliance visit costs which cost £460 with Remotexone, which is a trading style of Eddisons Commercial Limited, a part of the Begbies Traynor group.

Insurance costs of £250 have been incurred during the period with Eddisons Insurance Services Limited, another member of the Begbies Traynor Group.

Whilst there have been initial set up costs associated with letting the property out, a net return has been achieved by the short term hold strategy which has assisted in servicing the holding costs which would have been incurred with or without a tenant due to the cladding certification issues at the property.

We can confirm that the tenant remains up to date with their rent and we will review the position on an ongoing basis with our agents Eddisons. We have, however received recent advice in respect of another property in the Bankruptcy estate which evidences the reasonableness of the present strategy.

A further update will be provided in due course.

Apartment 44 Temple House, Temple Street, Birmingham B2 5BG ("Apartment 44")

As noted in our previous reports, a settlement was reached with Ruth Tsai in 2019 (the registered proprietor of Apartment 44) to sell this asset and apportion the proceeds of the sale of the same.

We previously confirmed that the property was entered into auction on 20 October 2021, however failed to meet the reserve price.

Whilst an agreement was made with Ruth Tsai in 2019 for sale and apportionment of the proceedings, that consensual agreement required Ruth Tsai to sign the relevant sale documentation, in her position as registered proprietor. As explained earlier in this progress report, Ruth Tsai has ceased all communications with the Liquidators, including in relation to Apartment 44, which presented a legal barrier to completing a sale of this asset. We have previously confirmed that we obtained an order from the Court to enforce the consensual agreement with Ruth Tsai, however this did not give the Liquidators the right to let the property.

As with Apartment 332 above, this property's external cladding appears to have had an effect on the levels of interest from prospective buyers. We understand from the freeholder's agent that the outcome of an intrusive survey is remains awaited.

Due to the specific position with Ruth Tsai on this property, we are unable to seek a short term rental of the same. As previously confirmed, we sought confirmation from Walker Morris of the expected costs to seek a variation of the order to allow us to take a tenant, however the costs estimate was far in excess of the estimated

return on a tenancy in the immediate term. Additionally, this order may not have been granted, which would potentially mean wasted cost, and we would also have had to incur substantial overseas service costs due to Ms Tsai's continued evasion of service, which in itself would not have been straightforward.

Accordingly, we took the commercial position to adopt a hold position until the outcome of the survey is known, which remains our strategy.

Holding costs have been incurred in relation to this property in terms of insurance (the cost of which is included in the global insurance cost below), fortnightly vacant property inspections, alarm maintenance and security inspections in the sum of £3,721, plus service charge and ground rents of £5,575 (which includes an amount of £1,500 which was outstanding from the period prior to the settlement with Ruth Tsai and will be set off against her interest in the net sale proceeds in due course).

A further update will be provided in due course.

1 & 2 the Coppice, Telford

As previously reported, 1 & 2 the Coppice comprised two large private dwellings which were "connected" by way of a link/walkway and were formerly inhabited by the director and his family. We previously confirmed that the Trustees sold 1 & 2 the Coppice on 8 March 2021 and the net sale proceeds in the sum of £1,051,989 had been paid into Court, with the ownership subject to future determination. The Trustees subsequently issued an application for Summary Judgment in respect of the net sale proceeds, in respect of which the Liquidators have reserved their position, and the Court subsequently ordered the net sale proceeds be paid to the Trustees.

Due to the specific circumstances surrounding 1 & 2 the Coppice, a number of the costs associated with the security and insurance of the same were historically met by the Liquidation estate either solely, or jointly with the Bankruptcy estate. As such, and in view of the Court's judgment, we have undertaken a review of the costs incurred which has determined that £38,511 is payable to the Liquidation estate and will be paid in due course, plus VAT where relevant. However, we would note that this is yet to be fully concluded and may change in the event future costs are identified as being due to the Liquidation estate.

As such, the ultimate position in respect of the Liquidation estate may change and a full update will be provided in due course on the final outcome of the review.

Kempinski Apartment, Istanbul, Turkey ("the Kempinski Apartment")

As a result of the investigations undertaken to date, we consider a tracing claim exists from the Liquidation into the Kempinski Apartment, which we understand was purchased for approximately \$530k in 2008.

As previously confirmed, the above property is legally registered in the names of Jason Tsai and his eldest son, John Tsai, who, as discussed above, has been subject to Bankruptcy proceedings in the US. Turkish Counsel's opinion on realisation strategy and jurisdictional implications in addition to valuation advice has been obtained and we are continuing to review this matter, in conjunction with our solicitors Walker Morris and Turkish counsel where required. This matter was put on temporary hold whilst the position with US bankruptcy estate of John Tsai was resolved. In view of the conclusion of the settlement in that matter we have recently re-engaged Turkish counsel in order to identify the most appropriate course of action.

A further update will be provided in due course.

Apartments in Varna and Sveti Vlas, Bulgaria

As previously confirmed, there are two properties in Bulgaria which the Liquidators consider they may have a claim to. These are registered in the names of i) Jason and Ruth Tsai and ii) a Bulgarian corporate entity whose shareholders are Ruth and John Tsai.

To date we have obtained counsel opinion and valuation advice on these properties and our actions were stayed whilst we concluded the John Tsai settlement matter in the US. As with the Turkish property, we are

now returning to these matters and have re-engaged with our Bulgarian counsel to agree the most appropriate realisation strategy. Costs paid to Bulgarian counsel Wolf Theiss during the period amount to £5,554.

A further update will be provided in due course.

Claims against Andrew and Pui-Lai Tsai ("A&PLT")

Discrete from the previously reported claims against A&PLT regarding real property assets, claims also existed against A&PLT as particularised in the Issued Claims, the content of which will not be detailed in this report due to its public nature.

As previously confirmed, a mediation took place between the parties during and an agreement was subsequently entered into in settlement of the claims against A&PLT, which provided for the sale of A&PLT's family home and detailed a prescribed mechanism for the apportionment of the net sale proceeds arising therefrom.

We are pleased to confirm that on 25 July 2022, the sale of A&PLT's family home completed and the net sale proceeds due to the Liquidators pursuant to the settlement detailed above was received, in full, in the sum of £970,332, concluding the further claims against A&PLT.

Florence Yang

Florence Yang is one of the defendants to the Issued Claims and, we understand, the now former wife of John Tsai. During the period, we have continued to liaise with Florence Yang's solicitors, Fladgate LLP, in respect of the Issued Claims and will provide a further update in due course when we are able to do so.

Dealing with the Trustees in Bankruptcy of Jason Tsai

The Company is the significant majority creditor in the Jason Tsai Bankruptcy and, as a result, dividends available from the Bankruptcy will be substantially received into the Liquidation estate.

As reported previously, in order to facilitate the progress of the Bankruptcy and enable initial applications to be issued by the Trustees to recover assets into the Bankruptcy estate, a confidential funding agreement was entered into between the Liquidation and Bankruptcy estates. All funding made available to the Bankruptcy estate in previous periods has been repaid and no further direct funding has been required.

As noted above, the Court made a determination that 1 & 2 the Coppice fell into the Jason Tsai Bankruptcy estate and as such a reconciliation exercise was commenced to deal with the settlement of the costs of maintaining those assets, which remains ongoing.

We would however note that due to the circumstances surrounding the Issued Claims, costs have been met from the Liquidation estate, such as in relation to the applications in the US and in relation to our actions against John Tsai and in relation to the enforcement action in Hong Kong.

The position in respect of these matters is that whilst the claims were initially proceeded on a joint basis between the estates, the claimant which suffered the financial loss is the Company in Liquidation and, as such, the Liquidation estate has received the financial benefit of the settlement and enforcement action in this regard.

We will continue to monitor the position with our legal advisers in respect of other recovery actions and realisations in due course.

The Tsai Lau Chi Charitable Foundation ("the TLC")

TLC purported to act as a Charitable Foundation and was a legally registered Charity with the Charity Commission. The registered trustees of TLC are Jason, Ruth and John Tsai and number 1 the Coppice was formerly registered as being owned by the TLC.

Our historic investigations have identified certain transactions which require further clarification and we are continuing to liaise with the Charity Commission regarding the status of TLC and a further update will be provided in due course.

Other Investigative Matters and Actions Against Associates

We have previously reported the extensive use of 'nominee names' by the Company's director, Mr Tsai.

Such nominee names were utilised to extract funds from the Company and our work continues to seek the recovery of these funds, through the use of the broad range of powers bestowed upon the Liquidators under the Act and Rules.

Ongoing Analysis of Company Records

Due to the progress achieved with the litigation we have only spent limited time in reviewing the Company's records, and is vastly reduced when compared to similar costs in previous reports.

We have, however, been required to externally host the Company's electronic records and the payments recorded in the Receipts and Payments that are relevant to this area of costs are set out below. We requested this licence be suspended to save costs in view of the advanced position on the litigation work and the conclusion of the s.127 matters in the prior period. This may be reinstated at very short notice should this service required again in the future.

Please note these costs also include the use of a referencing and analysis tool which we continue to make use of in our wider investigations:

Cost Narrative	Amount	Notes
Data analysis and hosting costs	1,630	Analysis and hosting of electronic data with MD5 Limited, a third party supplier.

Other Asset Matters

In addition to the matters set out in detail below, gross bank interest of £201,945 has accrued on the cash balance held in the ISA against which Corporation Tax of £40,389 has been levied directly.

During the period, the financial contribution of this work has been evidenced by the realisations achieved in respect of third-party settlements with Andy and Pui-Lai Tsai, John Tsai and the recoveries achieved in Hong Kong.

Dealing with all creditors' claims (including employees), correspondence and distributions

We have continued to consult with creditors regarding the actions we are pursuing in the Liquidation. This has taken the form of several update meetings with HM Revenue & Customs ("HMRC"), in advance of which detailed update packs were prepared.

We are also pleased to confirm that we have recently issued our notice of intended dividend and request for creditors to prove their debts. Further information may be found below specifically in respect of the notice, however we have been required to undertake a review of the dividend position and prepare a strategy paper to ensure the proposed dividend is being carried out appropriately in view of the specific circumstances of the case, particularly in view of the position regarding the major creditor, HMRC.

Further updates in this regard will be provided in due course and creditors will continue to receive specific and discrete communications from us regarding the proposed interim dividend.

This work does not lead to any realisations, however ensures creditors remain apprised of and are consulted in respect of all the latest developments in the Liquidation.

Other matters which includes seeking decisions of creditors via the deemed consent procedure and/or decision procedures, meetings, tax, litigation, pensions and travel

During the period, we have been required to attend various virtual meetings with our advisors, creditors and third parties in order to progress our case strategy to ensure maximum realisations are achieved for the benefit of creditors.

Time also incurred in attending internal settlement meetings regarding the Hong Kong recovery action, the US John Tsai Bankruptcy matters and the other real property matters discussed above.

Also allocated under this heading is time spent travelling to various meetings and engagements with our advisors and third parties in association with the actions set out in this report.

Litigation

Time allocated under this heading relates to the active pursuit of claims to recover assets into the Liquidation estate and concerns actions taken following the issue of proceedings only. For clarity, work done prior to the issue of proceedings is allocated to Investigations. As may be noted from the above, a considerable amount of litigation work which has taken place during the period.

As noted above, this work has led to substantial progress across the board, and we are pleased to be able to report to creditors that realisations have arisen directly as a result of this work, particularly regarding the enforcement of the default judgment against various assets held in the names of the defendants against whom quantum has been assessed and the connected John Tsai US bankruptcy matter.

Tax

We have continued to liaise with our accountants, Sagars Accountants Limited, in order to obtain specialist advice and to deal with the Company's tax position. The sum of £2,600 has been paid to Sagars during the period covered by this report for their professional services and a Corporation tax rebate has been received in the sum of £3,835 relating to prior periods.

As noted above, Corporation Tax in the sum of £40,389 has been paid during the period covered by this report.

Creditors will note that substantial progress achieved during the period, however the total time charged during the period under this heading totals £139,273, which is slightly lower than the forecast £163,000. This time includes all litigative matters as discussed above and has formed the basis for all realisations generated for creditors to date in the Liquidation.

It may be that some time charged this under this heading may also be charged under Investigations and Asset Realisations, due to the overlap in the underlying actions.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in our progress report for the period 5 June 2015 to 4 June 2016.

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows:

Secured creditor

As previously reported, filing at the Registrar of Companies indicate the Company granted security to the Royal Bank of Scotland ("RBS") and RBS Invoice Finance ("RBSIF") in November 2006 and February 2010 respectively. However, both RBS and RBSIF have confirmed to us that these charges have been released. As such, we consider there are no secured creditors.

Preferential creditors

There are no known preferential creditors.

Secondary preferential creditors

Further to the changes to the Finance Act 2020, HM Revenue & Customs are now able to claim secondary preferential status for certain liabilities. Taxes owed by the business to HMRC comprising of VAT, PAYE Income Tax, Employee National Insurance Contributions, Student loan deductions and Construction Industry Scheme deductions fall under the secondary preferential status.

Due to the date on which the Liquidation commenced, the Finance Act 2020 has no application and there are therefore no secondary preferential creditors of the Company.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Further to the above, and to the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

Unsecured creditors

In our previous reports, we noted that we considered the ultimate outcome of the Liquidation is contingent upon the final outcome of the legal proceedings against the various defendants, as summarised in section four above, including the enforcement against Ruth and John Tsai, in addition to the s.127 recovery action in relation to the void dispositions, the latter of which has been concluded.

Whilst the above remains accurate, we are pleased to confirm that on 26 July 2023 we wrote to the non-proving creditors of the Company enclosing a notice of intended dividend and request to prove claims in advance of issuing an interim dividend to creditors. We also placed a notice to file claims in the London Gazette on 26 July 2023. The final date for proving is 1 September 2023.

We will confirm to creditors in due course the position in terms of quantum of the interim dividend and expect to make payment within two months of 1 September 2023.

The quantum and timing of any future dividend is wholly contingent on the final outcome in respect of the enforcement of the Default Judgment obtained and the other unresolved matters which we are continuing to progress.

6. REMUNERATION & EXPENSES

Remuneration

Our remuneration has been fixed by creditors by way of a resolution by correspondence by reference to the time properly given by us (as Liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the winding up. For the

period covered by this report, our remuneration was agreed by reference to our fees estimate dated 2 August 2022 in the sum of £500,000, representing an estimated 1,205 hours at an average rate of £415 per hour.

Our actual time costs for the period from 5 June 2022 to 4 June 2023 amount to £299,537 which represents 659 hours at an average rate of £455 per hour and is lower than the annual fees estimate. Broadly speaking, the main reasons for this reduction was a slower burn rate associated with the international litigation than had been provisioned (as various matters have now been brought to a head and concluded), in addition to a reduction in asset realisation costs whilst certain actions were put on hold pending the resolution of matters in the USA. Further, a sustained change in staffing mix across the case led to a reduction in average costs incurred under certain sub-categories of action.

We are also authorised to draw expenses for services provided by our firm and/or entities within the Begbies Traynor group, in accordance with our firm's policy, which is attached at Appendix 2 of this report.

Time Costs Analysis

The following further information in relation to our time costs and expenses is set out at Appendix 2:

- ☐ Time Costs Analysis for the period 5 June 2022 to 4 June 2023
- ☐ Cumulative Time Costs Analysis for the period 5 June 2015 to 4 June 2023
- ☐ Begbies Traynor (Central) LLP's charging policy

To 4 June 2023, we have drawn the total sum of £3,847,331 on account of our remuneration, against total time costs of £4,327,448 incurred since the date of our appointment.

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the Liquidation.

Please note that each analysis provides details of the work undertaken by us and our staff following our appointment only.

Note on Total Approved Remuneration

To date, creditors have approved our fees in the total sum of £5,010,306. However, as this figure comprises a series of individual 12-monthly forecasts, we consider that our costs incurred in each specific period act as a fee cap for the same where those costs do not meet or exceed the respective estimate. We would note that this excludes any instances where work (and therefore cost) has transferred from one period to another.

As a result, we previously confirmed that we considered the level of our total remuneration approved was £4,027,800. As noted above, we have incurred costs in the sum of £299,537 during the period against an approved estimate of £500,000.

We therefore consider that our total approved remuneration is £4,327,337, however retain the right to review the same in due course.

Annual Fees Estimate for 2023 - 2024

As provided in our previous annual reports, we have included with this report a forecast of the fees expected to be incurred in the next 12 months of the Liquidation, namely 5 June 2023 to 4 June 2024. Accordingly, included at Appendix 2 is our fees estimate which amounts to £540,000, which is complimented by the narrative provided at section eight below.

We are seeking creditors' approval of this annual fees estimate via a Decision Procedure. Further details in this respect are set out at section eleven of this report and as provided for in the documentation circulated with this report.

As the Liquidation progresses, we will continue to provide and seek creditors' approval of annual fee estimates.

Category 1 Expenses

To 4 June 2023, we have also discharged expenses in the sum of £16,284 against those incurred in the sum of £16,541.

Category 2 Expenses

In accordance with the approval obtained from creditors by way of a resolution by correspondence, the following Category 2 expenses have been charged to the case since our last report to creditors in accordance with our firm's policy, a copy of which is at Appendix 2.

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
<p>Eddisons Commercial Limited, which is a member of the Begbies Traynor group, has continued to provide professional valuation and sales advice in respect of 332 Canal Wharf and 44 Temple House.</p> <p>Eddisons Commercial Limited have also been retained to assist with the letting of 332 Canal Wharf.</p> <p>The purpose for engaging Eddisons Commercial Limited was to ensure maximum realisations are achieved in this respect, given their historical knowledge of the same</p>	<p>These costs have yet to be billed to the Liquidators and will be confirmed in due course</p>
<p>RemoteZone, which is a trading style of Eddisons Commercial Limited, a member of the Begbies Traynor group, has provided security and insurance compliance services in relation to 44 Temple House and 332 Canal Wharf.</p>	<p>3,636.42</p>
<p>Eddisons Insurance Services Limited ("EIS"), which is a member of the Begbies Traynor group, has provided insurance brokerage services, having arranged open cover insurance in relation to the Company's property assets, namely apartments 44 Temple House and 332 Canal Wharf. The costs of insurance are set out opposite.</p> <p>The manner in which EIS receives payment of its commission from the insurer has changed.</p> <p>The commission was previously paid to EIS by the insurer. However, as a result of a change of invoicing process, EIS now raises invoices for the premium(s) payable on the insurer's behalf and receives payment from the insolvent estate. EIS in turn, accounts to the insurer for the premium(s) payable after deducting any commission payable by the insurer.</p> <p>EIS may apply administration charges to the account if considered necessary or appropriate. Where administration</p>	<p>652.70</p>

fees have been charged on this case, they are detailed here.	
TOTAL	4,289.12 plus TBC costs

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3.

Expenses actually incurred compared to those that were anticipated

In our previous progress report we provided details of the expenses incurred up to 4 June 2022, which amounted to a total of £6,111,303.

Additionally, an estimate of the expenses anticipated to be incurred in the period covered by this report was also provided in the range of £769,598 to £1,393,788. The actual expenses incurred during the period covered by this report, exclusive of those subject to ongoing review, amount to £637,778. It is therefore the case that the actual expenses incurred fell below the range provided with last year's report, confirming the prudent nature of our forecast.

Included at Appendix 3 is an estimate of the expenses expected to be incurred in the next 12 months of the Liquidation, having consideration to the various complex matters which remain to be dealt with, as summarised in this report. This forecast represents our best estimate at this time and is subject to change in line with the progression of the matters to which the costs pertain.

Our estimate accounts for expenses in the range £426,598 to £1,158,600 will be incurred in the next 12 months. A further update will be provided in our next annual report, in line with our statutory obligations.

8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General case administration and planning

We will continue to maintain our case files in order to document all key decisions which may materially affect the outcome of the Liquidation. Regular case and compliance reviews will also be undertaken to ensure the case is adequately progressed and administered. Due to the nature and size of the Liquidation, this will require all fee earner grades to be involved, including the senior partner grade.

Several internal meetings will be held between case staff to ensure the various matters detailed at section four continue to be progressed and all case staff apprised with any new updates across each relevant jurisdiction.

The cost benefit of this work is detailed above.

Compliance with the Insolvency Act, Rules and best practice

As required by the Insolvency Act, Rules and best practice, we will produce progress reports on an annual basis and at the conclusion of the Liquidation, providing creditors with detailed updates on our progress in the periods. Copies of each reported will be circulated to creditors in addition to being filed with the Registrar of Companies.

Regular reconciliations of the ISA will take place to ensure our case management systems accurately reflect the same. Our maximum statutory bond will remain in place until the conclusion of the Liquidation to ensure creditors' interests in the estate are protected.

The complex nature of this matter, in addition to our requirement to keep creditors fully apprised of the progress and costs of the Liquidation, contributed to the forecasted costs set out in the attached annual fees estimate for the period 5 June 2023 to 4 June 2024, which are comparable with those incurred in previous periods and remain a prudent provision in view of our assessment of the ongoing work required in the Liquidation, although we are optimistic that our costs will not amount to this figure over the next 12 months.

The above work is required by the Insolvency Act, Rules and best practice.

Investigations and Asset Realisations

To date, considerable investigation work has taken place in the Liquidation to date in relation to the historic trading activity of the Company, however in future periods we expect relatively low future costs will be incurred in this regard.

However, there will continue to be substantial work undertaken in relation to the asset recovery exercise and in particular in respect of enforcement of the Default Judgment against known assets. There remain a number of international matters to be concluded, as set out above, and a final position to be determined in respect of the John Tsai matter in the US.

We have also accrued for the costs of holding and dealing with assets recovered into the Liquidation in order that the most appropriate and beneficial disposal strategies may be implemented.

We have not provided a detailed analysis of the future work to be undertaken in future periods as this is simply a continuation of the above matters discussed above.

The cost benefit of this work is detailed above.

Dealing with all creditors' claims (including employees), correspondence and distributions

Creditor claims and queries will continue to be dealt with as and when received with our case management system being updated where required.

Regular updates will be provided to HMRC as the major creditor in this case in order that they are apprised with all matters being progressed.

Once the final date for proving passes, we will take steps to formally review and adjudicate on claims. In view of the nature of the Liquidation and the value and complexity of the major creditor's claim, we will have to undertake a detailed review of the same prior to payment of dividend.

The cost benefit of this work is detailed above.

Other matters which includes seeking decisions of creditors via the deemed consent procedure and/or decision procedures, meetings, tax, litigation, pensions and travel

Any time incurred in seeking the decisions of creditors in relation to any decisions proposed by us will be recorded here.

We will liaise with our accountants in order to deal with the Company's tax affairs as required and the costs of the same will be recorded under this heading. This work also extends to the tax treatment of any property assets recovered into the Liquidation estate.

In order to progress the various ongoing matters discussed earlier in the report, we anticipate attending various meetings in order to progress these actions. The cost benefit of this work is detailed above.

How much will this further work cost?

As discussed in our previous reports, due to the size and complexity of the Liquidation we are unable to accurately project either the total duration, or the total expected costs, of the Liquidation.

Accordingly, in line with our previously agreed format, we include with this report an estimate of our costs for the next 12 months of the Liquidation (i.e. 5 June 2023 to 4 June 2024) which we project will total £540,000 in line with the forecast included at Appendix 2 entitled Further Fees Estimate. An estimate of the next year's expenses is also provided at Appendix 3.

Expenses

Details of the expenses that we expect to incur in connection with the work which will be performed during the next 12 months referred to above are set out at Appendix 3.

9. OTHER RELEVANT INFORMATION

Investigations

You may be aware that a Liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. Our actions during the period are set out above in this report, to the extent we are able to do so, and remain ongoing.

Use of personal information

Please note that in the course of discharging our statutory duties as Liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission

of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may within 8 weeks of receipt of this progress report make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, in relation to the basis fixed for our remuneration, inappropriate.

11. SEEKING DECISIONS OF CREDITORS

We are seeking the approval of creditors for our remuneration, being our anticipated time costs to be incurred in the next 12 months of the Liquidation.

We intend to seek the following decision in relation to the approval of our remuneration via a Decision procedure by correspondence and a notice providing further information about the decision sought has been sent to creditors. Accordingly, we intend to seek the approval of the following decision:

- That the Joint Liquidators' remuneration for the period 5 June 2023 to 4 June 2024 be fixed by reference to the time properly given by the Joint Liquidators (as Joint Liquidators) and the various grades of their staff calculated at the prevailing hourly charge out rate of Begbies Traynor (Central) LLP for attending to matters arising in the Liquidation as set out in the fees estimate dated 3 August 2023 in the sum of £540,000 which appears at Appendix 2, be approved.

12. CONCLUSION

We are required to seek the approval of creditors to our further fees estimate. We intend to seek the decision in relation to our further fee estimate via a Decision Procedure by correspondence and a notice providing further information about the decisions being sought has been sent to creditors.

We will report again in approximately twelve months time or at the conclusion of the Liquidation, whichever is the sooner.



N Reed
Joint Liquidator

Dated: 3 August 2023

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 5 June 2022 to 4 June 2023

Statement of Affairs	From 05/06/2022 To 04/06/2023	From 05/06/2015 To 04/06/2023
£	£	£
ASSET REALISATIONS		
Bank Interest Gross	201,944.83	336,324.10
1,000.00 Cash at Bank	NIL	2,844.52
Costs Award from S.127 Respondents	NIL	46,476.00
Deposit on creditor petition	NIL	1,165.00
Dividend From Insolvent Debtor	13.22	13.22
FOREX Gain/Loss Re s.127 Settlements	NIL	(21,479.36)
Interest Accrued on WM Client A/C	NIL	431.73
Interest Paid by S.127 Respondents	NIL	5,264.19
Ji-Chuen Tsai Bankruptcy Repayment	NIL	53,728.64
Recoveries from Litigation	5,974,488.56	5,974,488.56
Recovery of post-petition dispositions	NIL	15,207,675.11
Refund of Fees from RBS	NIL	26.29
Rent	7,200.00	46,075.00
Rent Apportionment	NIL	109.25
Repayment of JT'sai Petition Costs	NIL	5,209.00
Sale of Land & Property	NIL	168,000.00
Settlements with Third Parties	2,577,091.55	2,752,091.55
Tax Refund	3,835.04	5,606.99
TRADING SURPLUS/(DEFICIT)	NIL	(400.00)
Tenant's Deposit - 332 Canal Wharf	1,384.61	1,384.61
	8,765,957.81	24,585,034.40
COST OF REALISATIONS		
Accommodation Costs	NIL	1,983.68
Accountant's Fees	2,600.00	35,650.00
Agent's disbursements	NIL	2,100.42
Agents fees	6,472.10	179,337.04
Bank Charges	87.95	808.60
Claim Costs	NIL	65,000.00
Corporation Tax	40,388.97	67,264.81
Costs to be determined with JT'sai BKY	18,200.86	44,878.17
Counsel Fees	42,757.21	599,753.77
Court Costs	NIL	19,398.24
Data Analysis and Hosting costs	1,630.00	60,202.75
DBIS Audit Fees	88.00	734.90
DBIS Cheque Fees	6.15	108.55
Insurance of Assets	NIL	5,064.25
Ji-Chuen Tsai Bankruptcy	NIL	53,728.64
Legal agent fees re hearings	NIL	805.00
Legal Disbursements	NIL	6,803.00
Legal Fees	576,914.95	5,117,250.52
Legal Search Fees	NIL	587.56
Legal travel expenses	NIL	21,246.14

	Liquidators' Expenses	NIL	803.88
	Liquidators' Fees	400,000.00	3,847,331.45
	Mediator's Fees	NIL	5,280.00
	Mileage costs	NIL	266.46
	Notarial Fees	NIL	1,342.87
	O.R. Administration fee	NIL	2,400.00
	Photocopying costs	NIL	6,223.79
	Postage Costs	NIL	3,638.74
	Property Agents/Valuers fees	2,419.00	13,999.00
	Property EPC Costs	NIL	70.00
	Sage Consultancy Fees	NIL	860.06
	SAGE Hosting Costs	NIL	3,335.00
	Search and filing fees	NIL	687.63
	Secretary of State Fees	NIL	80,000.00
	Security Costs	NIL	170.00
	Service Charge and Ground Rent	9,276.78	43,497.06
	Specific Bond	NIL	1,210.00
	Stationery	NIL	114.56
	Statutory Advertising	NIL	84.60
	Storage Costs	453.85	3,211.17
	Subsistence	NIL	1,721.28
	Telegraphic Transfer costs	NIL	30.90
	Third Party Claim Costs Concession	NIL	6,435.00
	Transcriber fees	NIL	13,483.78
	Translation fees	NIL	18,216.51
	Travel costs	NIL	9,410.50
	JTsai Petition Costs	NIL	5,209.00
		(1,101,295.82)	(10,351,739.28)
	UNSECURED CREDITORS		
(14,300,000.00)	HMRC (VAT)	NIL	NIL
(2,000,000.00)	Shareholder Loan	NIL	NIL
		NIL	NIL
(16,299,000.00)		7,664,661.99	14,233,295.12
	REPRESENTED BY		
	Accruals (Expenditure)		(101,314.33)
	Deposit Monies - 332 Canal Wharf		1,384.61
	Funds Held in Eddisons Client A/C		26,785.95
	Funds held in Walker Morris client a/c		1,000.00
	Funds Subject to Further Determination		12,237.28
	ISA (Interest Bearing)		13,977,862.65
	Vat Receivable		315,338.96
			14,233,295.12

TIME COSTS AND EXPENSES

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 5 June 2022 to 4 June 2023;
- c. Cumulative Time Costs Analysis for the period from 5 June 2015 to 4 June 2023; and
- d. Estimated increase to our approved fees estimate.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- ❑ Category 1 disbursements (approval not required) - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ Category 2 disbursements (approval required) - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate of £100 (London £150) per meeting;
- Car mileage is charged at the rate of 45 pence per mile;
- Storage of books and records (when not chargeable as a Category 1 disbursement) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates;

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

Expenses which should be treated as Category 2 disbursements (approval required) – in addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements.

Services provided by other entities within the Begbies Traynor group

The following items of expenditure which relate to services provided by entities within the Begbies Traynor group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval):

Instructions to Date

Eddisons Commercial Limited (trading as RemoteZone) have been instructed to provide security and remediation services in respect properties recovered into the Liquidation estate. Their charges for providing these services will be calculated on a case by case basis and will be reported annually. Please see the body of the report for further information in this respect.

Eddisons Commercial Limited have also been instructed to provide valuation and realisation advice to the Liquidators in respect of 338 Canal Wharf. The cost associated with their instruction is as follows:

- Cost of preparing property options report and valuation of the property £950; and
- Cost of realising the property (including managing the sale process) 2.5% gross realisations.

Instruction of Eddisons Insurance Services Limited ("EIS") to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The costs of insurance cover will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case. Where relevant, administration fees may be charged, These costs are taken into consideration and included within the forecasted cost of insurance, above.

In accordance with standard insurance industry practice, EIS will receive payment of commission for the services it provides from the insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

EIS will invoice the insolvent estate for the premium(s) due on the insurer's behalf and receive payment from the estate. EIS will in turn, account to the insurer for the premium(s) payable after deducting any commission payable by the insurer.

- (B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 disbursement:

- Telephone and facsimile
- Printing and photocopying
- Stationery

Additional payments received by Eddisons Commercial Limited from purchasers where assets are disposed of by way of auction

In addition to the charges of Eddisons Commercial Limited detailed above for providing the services to the office holder, where any machinery and business assets (other than freehold/leasehold property) are disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's premium, equivalent to 15% of the successful bid. Where any freehold/leasehold property is disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's administration fee, in the sum of £600. It is standard auction industry practice for a buyer's premium and buyer's administration fee to be charged. The buyer's premium and buyer's administration fee is paid by the purchaser of the assets and is not paid by the office holder from the assets of the estate.

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Leeds office as at the date of this report are as follows:

Grade of staff	Charge-out rate range (£ per hour) 10 th July 2023 until further notice
Appointment taker/partner	560-640
Managers/directors	415-540
Other professional	215-300
Junior professional/support	170

Prior to 10th July 2023, the following rates applied:

Grade of staff	Charge-out rate (£ per hour) 1 December 2018 – until further notice
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Support	140

Prior to 1 December 2018, the following rates applied:

Grade of staff	Charge-out rate (£ per hour)
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Junior Administrator	110
Support	60 - 110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

The office holder may use the services of BTG Forensic during the course of the case. BTG Forensic is a specialist department of the office holder's firm which provides forensic accounting services. The current charge-out rates applying to work carried out by BTG Forensic are as follows:

Grade of staff	Charge-out rate (£ per hour)
Partner	600
Senior Manager	500
Forensic Senior	225

THE LIQUIDATORS' **ESTIMATE** OF THE INCREASED FEES THAT THEY WILL INCUR

Further to the information set out in the report, we are seeking to be remunerated on a time costs basis. Details of our firm's hourly charge-out rates are set out in the charging policy which accompanies this estimate. Prior to creditors determining the basis upon which we are to be remunerated, we are obliged to produce a fees estimate and to provide it to each creditor of whose details we are aware so that it may be approved in the same time as the basis of our remuneration.

Our anticipated fees for the period 5 June 2023 to 4 June 2024 is set out below. Please note that blended hourly rates have been used (as they were for the original estimate) which take account of the various levels of staff that are likely to undertake each area of work. These can be seen in the average hourly rate column. Details of the hourly rates that will be charged for each level of staff working on the case form part of this Appendix.

Details of the work that the Liquidators and their staff propose to undertake	Hours	Time cost £	Average hourly rate £
General case administration and planning	90	42,500	472.22
Compliance with the Insolvency Act, Rules and best practice	32	17,500	546.88
Investigations	245	105,000	428.57
Realisation of assets	385	189,500	492.21
Trading	-	-	-
Dealing with all creditors' claims (including employees), correspondence and distributions	48	27,500	572.92
Other matters which includes seeking decisions of creditors via the deemed consent procedure and/or decision procedures, meetings, tax, litigation, pensions and travel	378	158,000	417.99
Total hours	1,178		
Total time costs		540,000	
Overall average hourly rate £			458.40

We have summarised below our considerations that are pertinent to the allocation of costs in this fee estimate:

- There will continue to be a considerable requirement for case strategy and planning in conjunction with the enforcement of the Default Judgement, although the overall costs under the relevant cost category have been reduced from those set out in prior periods as a result of progress made in the litigation. Moving forward, we expect these actions will focus on the real property assets outside the jurisdiction;
- The costs associated with the international litigation, in addition to the relevant costs associated with dealing with John Tsai's Bankruptcy in the United States, have been provisioned below those incurred in previous years due to progress achieved during this and previous periods. There is, however, a provision for future costs in dealing with the Bulgarian and Turkish properties which will likely progress now that the US Bankruptcy matters have been broadly concluded;
- Ongoing statutory costs have been provisioned broadly in line with previous years;
- We have provisioned time for dealing with the UK based property assets into the Liquidation at a rate similar to that of previous years in view of the continued hold strategy;
- Time spent dealing with creditors will comprise the requirement for ongoing consultation with creditors and the complexities which arise in the Company's Corporation Tax position, which is likely to impact on the claims position in both the Liquidation and the Jason Tsai Bankruptcy estate;
- Costs have also been provisioned in order to deal with the interim dividend discussed in this report; and

- The estimate of time expected to be recorded against each action area has been considered alongside the average hourly charge out rates that have been attributed to each action area for the Liquidation to date, updated to reflect the seniority of the staff engaged to deal with the Liquidation. We would note that our hourly chargeout rates have increased since the circulation of our previous report, which has been reflected above, and is discussed at Appendix 2 of our report.

We have arrived at this increase by considering the nature and complexity of the work that is necessary to conclude the case, and we also believe that this increase is a fair and reasonable reflection of the same.

DETAILS OF THE EXPENSES THAT THE LIQUIDATORS CONSIDER WILL BE, OR ARE LIKELY TO BE INCURRED BETWEEN 5 JUNE 2023 AND 4 JUNE 2024

	Type of expense	Description	Estimate £
1.	Advertisements	Of dividends etc.	Nil – 100
2.	Storage costs	An Insolvency Practitioner is required to retain relevant books and records of the insolvent entity in order to carry out his/her duties as office holder. In addition, following case closure the Insolvency Practitioner will retain his/her working papers to allow any queries or issues raised to be dealt with.	500 – 700
3.	Agent's fees and disbursements	For the provision of professional assistance and anticipated disbursements, including associated security costs and service costs in relation to litigation.	1,000 - 50,000
4.	Legal fees and disbursements	The fees of any solicitors and/or barristers instructed to assist the Insolvency Practitioner and their anticipated disbursements, including court costs	400,000 – 950,000
5.	Counsel fees	Counsel fees in association with ongoing litigation	20,000 – 100,000
6.	Bank charges	An Insolvency Practitioner is required to operate a separate bank account in relation to the insolvent entity's estate	Nil – 300
7.	Investigation expenses	Any sums paid to any third party that assists the Insolvency Practitioner with investigating the affairs of the insolvent entity	Nil – 25,000
8.	Travel & Accommodation	To and from meetings in connection with the matters set out in this report	2,000 – 10,000
9.	Insolvency Services Account Quarterly fee	In a compulsory liquidation the Insolvency Practitioner is required by statute to hold all of the estate funds in the Insolvency Services Account	88
10.	Insolvency Service cheque fees	Where the Insolvency Practitioner is obliged to use the Insolvency Services Account he/she is required to pay a cheque fee when monies are paid out of the account by cheque	10 - 100
11.	Data analysis and hosting costs	In connection with our ongoing investigations	Nil – 15,000
12.	Accountant's fees	For the provision of advice and performing Corporation Tax work on behalf of the Company	3,000 – 7,500

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Legals Fees	Walker Morris LLP	209,598.50	147,117.50	115,026.00
	Tanner de Witt	193,951.71	181,924.74	25,437.88
	Sequor Law	124,520.55	206,358.81	9,764.93
	Carlyon Cica Chtd	12,950.43	10,403.77	2,857.45
	Lee & Li	31,110.13	31,110.13	0.00
Legal Disbursements	Walker Morris LLP	27.50	27.50	Nil
Counsel Fees	Stephen Robins	34,600.00	34,600.00	34,600.00
	Wolf Theiss	8,157.21	8,157.21	8,157.21
Accountant's Fees	Sagars Accountants Limited	2,600.00	2,600.00	Nil
Agents Fees	Smile PM	2,755.68	2,755.68	Nil
Bank Charges	Insolvency Service	87.95	87.95	Nil
Data Analysis and Hosting Costs	MD5 Limited	1,630.00	1,630.00	Nil
DBIS Audit and Cheque fees	Insolvency Service	115.00	115.00	Nil
Property Agents / Valuers Fees	Various	2,269.00	2,269.00	Nil
Service Charge Costs	Various	7,794.81	7,794.81	Nil
Storage Costs	Restore Plc	710.61	453.85	256.76
Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Char Policy)				
Agent's Fees paid to Eddisons ²	RemoteZone	3,636.42	3,636.42	Nil
Insurance of Assets ²	Eddisons Insurance Services Limited	652.70	Nil	652.70

Property Agents / Valuers Fees ²	Eddisons Commercial Limited	610.00	610.00	Nil
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Note 1: General

Where costs paid in the period may exceed those incurred, such payments will relate to brought forward outstanding balances due for a prior period(s). This may therefore leave a balance outstanding in respect of the costs incurred during the period covered by this report. Similarly, where costs remain outstanding at the period end, these are reflected in the balance to be discharged column.

Note 2: Eddisons Commercial Limited

Please see our comments at sections four and six for further details in this respect.

Note 3: Costs to be determined with Ji-Chuen Tsai Bankruptcy

Please see our comments at section four of this report for further details in this regard.

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Legal Fees	Walker Morris LLP	4,249,966.00
	TSMP LLP	67,788.02
	Sequor Law	511,535.08
	Tanner De Witt	323,525.45
	Brett Wilson LLP	3,975.00
	Allen & Gledhill LLP	17,912.35
	Carlyon Cica Chtd	68,465.07
	Lee & Li	31,110.13
	Sagis LP	1,638.98
Legal disbursements	Walker Morris LLP and others	6,830.50
Legal travel expenses	Walker Morris LLP and others	21,246.14
Legal agent fees regarding hearings	Walker Morris LLP and others	805.00
Legal search fees	Walker Morris LLP and others	587.56
Court fees	Walker Morris LLP and others	19,398.24
Translation fees	Walker Morris LLP	18,216.51

Transcriber fees	Walker Morris LLP	13,483.78
Counsels fees	Various	637,633.72
J Tsai Petition Costs	Walker Morris LLP	5,209.00
Data analysis and hosting costs	MD5 Limited	60,202.75
Photocopying costs	Various	6,223.79
Bond	Marsh Limited	1,210.00
Agents:		
Investigation Agents	Various	135,949.83
Service Agents	Various	18,158.01
Property Agents/ Valuers Fees	Various	18,456.68
Property Security, Alarm Monitoring & Attendance, Vacant Property Inspections and Insurance Compliance	Various	33,044.68
Agent's disbursements	Various	5,047.87
Stationery	Various	114.56
Search and filing fees	Various	687.63
Accommodation Costs	Various	1,983.68
Corporation Tax	HM Revenue & Customs	67,264.81
Postage costs	Various	3,638.74
Bank charges	Various	839.50
Storage costs	Restore Plc	3,467.93
Statutory advertising	Courts Advertising Limited	84.60
SAGE hosting costs	CPiO Limited	3,335.00
SAGE consultancy costs	CPiO Limited	860.06
Secretary of State fees	Secretary of State – Ad Valorem	80,000.00
Official Receiver's administration fee	Secretary of State	2,400.00
Mediator's Fees	Walker Morris LLP	5,280.00
Travel Costs	Various	9,648.36
Notarial Fees	Various	1,342.87

DBIS Costs	The Insolvency Service	843.45
Accountant's fees	Sagars Accountants Limited	35,650.00
Insurance premium paid to Eddisons	Eddisons Insurance Services Limited	19,783.71
Claim Costs	Various	65,000.00
Funding of Ji-Chuen Jason Tsai Bankruptcy	The Trustees of Ji-Chuen Jason Tsai	53,728.64
Property EPC Costs	Various	70.00
Service Charge and Ground Rent	Various	39,966.57