

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number 0 9 7 6 1 3 0 9

Company name in full Westway Holdings Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Michael Colin John

Surname Sanders

3 Liquidator's address

Building name/number 6th Floor

Street 2 London Wall Place

Post town London

County/Region

Postcode E C 2 Y 5 A U

Country

4 Liquidator's name ①

Full forename(s) Georgina Marie

Surname Eason

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 6th Floor

Street 2 London Wall Place

Post town London

County/Region

Postcode E C 2 Y 5 A U

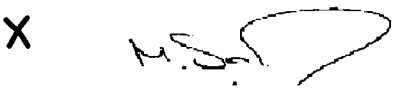
Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	^d	3	^d	0	^m	0	^m	4	^y	2	^y	0	^y	2	^y	1
To date	^d	2	^d	9	^m	0	^m	4	^y	2	^y	0	^y	2	^y	2
7	Progress report															
	<input checked="" type="checkbox"/> The progress report is attached															
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	^d	2	^d	4	^m	0	^m	6	^y	2	^y	0	^y	2	^y	2

**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 **Kimberley Reid**

Company name **Macintyre Hudson LLP**

Address **6th Floor**

2 London Wall Place

Post town **London**

County/Region

Postcode **E C 2 Y 5 A U**

Country

DX

Telephone **0207 429 4100**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**Where to send**

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

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

**Further information**

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

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

Continuation page

Name and address of insolvency practitioner

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

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

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

1 Appointment type

Tick to show the nature of the appointment:

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

① You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Simon

Surname

Bonney

3 Insolvency practitioner's address

Building name/number

High Holborn House

Street

52-54 High Holborn

Post town

County/Region

London

Postcode

W C 1 V 6 R L

Country

UK

Westway Holdings Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 30/04/2021 To 29/04/2022 £	From 30/04/2021 To 29/04/2022 £
	ASSET REALISATIONS		
	Bank Interest Gross	10.70	10.70
120,023.00	Cash held by Third Parties	NIL	NIL
	Debtor - Pinewood	30,000.00	30,000.00
	Funds from Administration	347,987.59	347,987.59
50,000.00	Iconic Boxes	NIL	NIL
	Legal Fees held on account	726.00	726.00
Uncertain	London Penthouse - Various	NIL	NIL
6,000.00	Motor Vehicles	NIL	NIL
450,000.00	Rationale Asset Management	NIL	NIL
1.00	Westway Holdings (National) Limited	NIL	NIL
Uncertain	Westway International Limited	35,456.25	35,456.25
		414,180.54	414,180.54
	COST OF REALISATIONS		
	Agents/Valuers Fees (2)	2,000.00	2,000.00
	Bank Conversion Analysis	437.00	437.00
	Corporation Tax	22,036.39	22,036.39
	Council Tax	1,853.66	1,853.66
	Legal Disbursements	4,621.34	4,621.34
	Legal Fees	177,612.01	177,612.01
	Office Holders Fees	115,828.00	115,828.00
	Stationery & Postage	1,941.02	1,941.02
	Statutory Advertising	89.20	89.20
	VAT Irrecoverable	59,223.63	59,223.63
		(385,642.25)	(385,642.25)
626,024.00		28,538.29	28,538.29
	REPRESENTED BY		
	Bank - Barclays - IB		10,570.89
	Bank - Barclays - IB (2nd Acc.)		17,967.40
			28,538.29

Note:

6th Floor
2 London Wall Place
London
EC2Y 5AU

T (020) 7429 4100
F (020) 7248 8939
W [macintyreHUDSON.co.uk](https://www.macintyreHUDSON.co.uk)



PRIVATE AND CONFIDENTIAL

TO ALL KNOWN CREDITORS AND MEMBERS

Our ref CR400679/MCJS/GME/JM/KAR

Uploaded to the IPS
Creditor Portal

Date 23 June 2022

Dear Sirs

Westway Holdings Limited – In **Creditors' Voluntary Liquidation** (formerly in Administration) (**"the Company"**)

This is my report to members and creditors following the first anniversary of my appointment as Joint Liquidator. Creditors will recall that the Company was formerly in Administration and I refer creditors to the reports issued in the Administration should they wish to review the actions of the former Administrators and the assets realised in the Administration period.

Please note that the Joint Liquidators investigations are ongoing and therefore we are not yet able to advise regarding the quantum or timing of a distribution to unsecured creditors. As you will note in the report, insufficient assets have been realised to date to enable a distribution to unsecured creditors. If you have submitted a proof of debt form then you do not need to do anything further and, should the Joint Liquidation be in a position to declare a distribution to unsecured creditors, you will be written to by post with details as to next steps.

Please note that the Joint Liquidators are not able to provide creditors with legal advice or assist with their claims submitted to the Financial Services Compensation Scheme (**"FSCS"**). The Joint Liquidators are co-operating with the FSCS as and when required.

Please also note that the City of London Police investigation **in respect of "Operation Sabik"** remain ongoing and the Official Receiver is also undertaking its own investigation. As above, the Joint Liquidators are co-operating with these parties as and when required.

Macintyre Hudson LLP uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how Macintyre Hudson LLP uses your personal information on our website at <https://www.macintyreHUDSON.co.uk/privacy-policy>.

In compliance with the General Data Protection Regulation, Creditors, Employees, Shareholders, Directors and any other Stakeholder who is an individual (i.e., not a corporate entity) in these insolvency proceedings is referred to the Privacy Notice in respect of Insolvency Appointments, which can be found at this link <http://www.quantuma.com/legal-notice>.

MHA Macintyre Hudson is the trading name of Macintyre Hudson LLP, a limited liability partnership, registered in England with registered number OC312313. A list of partners' names is open for inspection at its registered office, 201 Silbury Boulevard, Milton Keynes MK9 1LZ. Macintyre Hudson LLP is an independent member of MHA and an independent member of Baker Tilly International Limited, the members of which are separate and independent legal entities. Arrandco Investments Limited is the registered owner of the UK trade mark for the name Baker Tilly. The associated logo is used under licence from Baker Tilly International Limited. Further information can be found via our website <https://www.macintyreHUDSON.co.uk/legal-disclaimer>





If creditors have any queries regarding the asset realisations, please contact Kimberley Reid of MHA Macintyre Hudson by email at Kimberley.Reid@mhllp.co.uk, or by phone on 0207 429 4100.

If creditors have any queries in relation to the ongoing investigations, please contact Sian Stokes at Quantum Advisory Limited by email at sian.stokes@quantuma.com or phone on 0203 856 6720. Please note however that in relation to the investigation, we are unable to provide any further information at this time than what has been disclosed in this report so as to not jeopardise the outcome of the potential claims we have identified and are subsequently pursuing.

As you are aware, this is an incredibly complex case, and we thank you for your ongoing patience.

Yours faithfully

Michael Colin John Sanders
JOINT LIQUIDATOR
AUTHORISED TO ACT BY THE INSOLVENCY PRACTITIONERS ASSOCIATION

Enc.



WESTWAY HOLDINGS LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)
("the Company")

JOINT LIQUIDATORS' ANNUAL PROGRESS
REPORT TO CREDITORS AND MEMBERS FOR
THE PERIOD 30 APRIL 2021 TO 29 APRIL 2022

23 June 2022



EXECUTIVE SUMMARY

A summary of the current position is detailed below. Further details as to each asset are provided later in this report.

Asset Realisations

Asset (£)	Estimated to realise as per Director's Statement of Affairs (rounded to the nearest £)	Realisations in the Liquidation (rounded to the nearest £)	Notes
Motor Vehicles	6,000	-	-
Investments in LPHV Group Limited and its Subsidiaries	Uncertain	-	-
Investment in Westway Holdings (National) Limited (now dissolved)	1.00	-	-
Westway International Limited – Cash at Bank	Uncertain	35,456	-
Shares in Rationale Asset Management Limited (In Liquidation)	450,000	-	
Shares in Iconic Boxes Limited	50,000	-	
Unencumbered freehold properties	950,000	-	£1,132,613 realised in the Administration period
Other freehold / leasehold properties	Uncertain	-	-
Cash at Bank – Argon	20,000	-	5,209.07 Realised in the Administration period
Cash at Bank – Santander	430,000	-	£429,194 realised in the Administration period
Funds transferred from the Administration estate	-	347,988	-
Cash held by third parties	120,023	-	See above cash at bank received from Westway International Limited. An additional £115,574 was realised in the Administration



			period from other sources.
Funds held by solicitors on account	36,000	726	-
Loan Repayment from Pinewood Finance Limited	-	30,000	An additional £30,000 was realised in the Administration period.
Bank Interest Gross	-	11	-
Total	2,026,024	414,181	-

Expenses

Expense	Total Expenses incurred (rounded to the nearest £)	Total Expense paid from funds held (rounded to the nearest £)
Office Holder Fees - MHA	57,537	-
Office Holder Fees - Quantuma	193,440	-
Former Joint Administrators' Fees as approved by the Creditors' Committee	NA – Incurred during the Administration period not the Liquidation.	115,828
Office Holder Expenses - MHA	310	-
Office Holder Expenses - Quantuma	331	-
Bank Conversion Fee	437	437
Council Tax	1,854	1,854
Agents Fees	2,000	2,000
Legal Fees – FWJ		76,349
Legal Fees – Crowell & Moring LLP ("Crowell")	173,992	70,263
Legal Disbursements – Crowell	3,869	3,032
Legal Fees – HCR	47,256	25,000
Legal Disbursements		7,589
Corporation Tax	22,036	22,036
VAT Irrecoverable	59,223	59,223
Statutory Advertising	89	89
Stationery and Postage	1,941	1,941
Total	564,315	385,642

Distributions to Creditors

Dividends	Distribution/ dividend paid to date (£)
Secured Creditors	N/A – There are no secured creditors.
Preferential Creditors	N/A – There are no known preferential creditors.
Unsecured creditors	Nil



STATUTORY INFORMATION

Company Information

Company name:	Westway Holdings Limited
Previous name:	N/A
Trading name:	Westway
Company number:	09761309
Date of incorporation:	3 September 2015
Trading address:	84 Westbury Lane, Buckhurst Hill, IG9 5PW
Current registered office:	MHA MacIntyre Hudson, 6th Floor, 2 London Wall Place, London, EC2Y 5AU
Former registered office:	C/O Baptiste & Co 23 Austin Friars London EC2N 2QP
Principal trading activity:	Other letting and operating of own or leased real estate

Appointment Details

Joint Liquidators:	Georgina Marie Eason and Michael Colin John Sanders of MHA MacIntyre Hudson LLP ("MHA") and Simon Bonney of Quantuma Advisory Limited ("Quantuma")
Joint Administrators' addresses:	MHA MacIntyre Hudson LLP, 6th Floor, 2 London Wall Place, London, EC2Y 5AU and Quantuma Advisory Limited, High Holborn House, 52-54 High Holborn, London, WC1V 6RL
Date of appointment:	30 April 2021
Actions of the Joint Liquidators:	Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both of the Liquidators acting jointly or alone.

LIQUIDATORS' ACTIONS SINCE COMMENCEMENT OF THE LIQUIDATION



As advised in previous correspondence, the Company was converted from Administration to Creditors Voluntary Liquidation (“CVL”) on 30 April 2021. Since the appointment, the Joint Liquidators have carried out the following tasks in addition to their statutory requirements:

- Continued the extensive tracing and analysis exercise in relation to all transactions put through the Company’s bank accounts and other key third-party bank accounts that have received Company monies;
- Pursued recipients of Company funds by way of informal and formal interviews and further written requests for information (with the assistance of solicitors where required) to understand the transactions made and take a view as to whether the transaction was a genuine business transaction or not;
- Issued legal proceedings against various recipients of Company funds by way of Section 236 applications, statutory demands and winding up petitions in order to recover Company monies that were paid / further information about Company monies that were paid to said recipients and are not deemed as a genuine business transaction with the current information to hand. The primary focus at this stage has been on transactions over £500,000 and transactions whereby property was exchanged and said property is understood to have equity;
- Assisted the Official Receiver with its investigation into the Companies affairs;
- Continued to liaise with Harrison Clark Rickerbys LLP (“HCR”) and obtained counsels opinion in respect of the actions of the More Group Capital Services Limited’s (“More Group”) security position;
- Issued notifications to investors in respect of potential fraudulent transactions;
- Dealt with enquiries submitted by the Financial Compensation Scheme;
- Dealt with a large number of Subject Data Access Requests;
- Dealt with and continue to deal with a high level of enquiries from investors regarding a number of ad hoc topics;
- Continued to meet with and provide high level confidential updates to the appointed creditors’ committee;
- Realised and recovered further assets, details of which are detailed in this report;
- Recovered Company monies being held by third parties;
- Liaised with the City of London Police and assisted them with their own independent investigation known as “Operation Sabik”
- Instructed the tax team at MHA to review the Company records and assist with establishing the current financial position of the Company, based on information available and settled the Company’s corporation tax liability.

In addition to the above, there is certain work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since the commencement of the Liquidation is contained in Appendix 1.

Please note that the Joint Liquidators investigations are ongoing and therefore we are not yet able to advise regarding the quantum or timing of a distribution to unsecured creditors. As you will note in the report, insufficient assets have been realised to date to enable a distribution to unsecured creditors. If you have submitted a proof of debt form then you do not need to do anything further and, should the Joint Liquidation be in a position to declare a distribution to unsecured creditors, you will be written to by post with details as to next steps.

Please note that the Joint Liquidators are not able to provide creditors with legal advice or assist with their claims submitted to the Financial Services Compensation Scheme (“FSCS”). The Joint Liquidators are co-operating with the FSCS as and when required.

Please also note that the City of London Police investigation **in respect of “Operation Sabik”** remain ongoing and the Official Receiver is also undertaking its own investigation. As above, the Joint Liquidators are co-operating with these parties as and when required.

RECEIPTS AND PAYMENTS



My Receipts & Payments Account for the period from 30 April 2021 to 29 April 2022 is attached at Appendix 2. All amounts are shown net of VAT. I have reconciled the account against the financial records that I am required to maintain. Please note that I am not able to recover VAT from HM Revenue & Customs ("HMRC") as the Company is not registered for VAT.

The balance of funds is held in an interest-bearing estate bank account.

ASSETS REALISED INTO THE LIQUIDATION ESTATE

Funds transferred from Administration

As reported in the former Joint Administrators' Final Report to Creditors, £347,987.59, being the cash balance held by the former Joint Administrators, was transferred from the Administration estate to the Liquidation account upon appointment. There will be no further realisations from this source.

Legal Fees held on account

Following appointment, the Joint Liquidators received £726 from Moore Barlow LLP, being the solicitors instructed in the pre-appointment period by the Company, in relation to surplus funds held in their client account. There will be no further realisations from this source.

Westway International Limited - Cash at Bank

As a result of the legal advice sought in the former Administration, the £35,456 held in FWJ's Client account, being potential Westway International Limited cash held in the Company's pre-appointment bank account as at the date of the former Joint Administrators' appointment, has now been transferred to the Liquidation estate. There will be no further realisations from this source.

Loan Repayment from Pinewood Finance Limited ("Pinewood")

As a result of their investigation, Quantuma identified £115,000 as having been paid to Pinewood between July 2016 and March 2017. The directors of Pinewood are connected to the Company in that they are former directors of the Company. A review of the management accounts provided suggest that the payments were in relation to a loan from the Company to Pinewood, however the bank statements suggested they were in relation to property bonds and bond redemptions.

Quantuma contacted Pinewood for further information regarding the payments that were made and, following a review of the explanations provided by them, it was concluded that £87,000 was owed by Pinewood to the Company. Due to the costs associated with litigation and the high possibility of Pinewood Finance becoming insolvent as a result of any litigation, settlement negotiations were entered into and on 9 March 2021 a settlement of £60,000 was agreed.

Of this balance, £30,000 was received in the former Administration and the remaining £30,000 has been received in the Liquidation. There will be no further realisations from this source.

Bank Interest

£10.70 has been received in respect of bank interest accumulated against funds held in the estate.



PAYMENTS MADE FROM THE LIQUIDATION ESTATE

Former Joint Administrators Fees – Quantuma

The sum of £115,828.00 plus VAT has been paid to Quantuma in respect of the balance of their agreed fees for acting as former Joint Administrators. These fees were approved by the Creditors' Committee during the Administration period.

Bank Conversion Analysis

The sum of £437.00 plus VAT has been paid to AADD Limited in respect of costs incurred in converting the Company's bank statements into an interactive format for the purpose of the Joint Liquidators statutory investigations.

Council Tax

The sum of £1,853.66 has been paid to London Borough of Redbridge in relation to the Council Tax incurred for 24 Inverclyde Gardens for the period from the former Joint Administrators' appointment to the date the property was sold.

Agents' Fees

The sum of £2,000.00 plus VAT has been paid to ESA Risk Ltd who were instructed to provide asset location and individual tracing assistance on an ad hoc basis to assist with Quantuma's ongoing investigations.

Legal Fees and Disbursements

Francis Wilks and Jones LLP ("FWJ")

The sum of £76,349 plus VAT has been paid to FWJ in respect of legal fees and disbursements incurred in relation to providing ongoing legal advice in respect of the asset realisation process. £3,121 has been incurred in relation to legal disbursements.

HCR

The sum of £25,000 plus VAT has been paid to HCR who were instructed to review and advise on the position relating to the More Group Capital Services Limited, the Company's former security trustee.

Crowell

In the Liquidation period, the sum of £70,263 plus VAT has been paid from funds held. £44,408 plus VAT has been paid from asset realisations to Crowell in respect of legal fees incurred in relation to providing legal assistance to Quantuma as part of their investigation into the Company's pre-appointment activity, including but not limited to issuing and / or providing strategical legal advice on the commerciality of the below.

- Letters before Action to various parties whom received money from the Company and have not responded or have refused to respond to the former Joint Administrators' and / or the subsequent Joint Liquidators' reasonable requests for further information;
- Section 236 applications and associated Witness Statements to the Court to obtain an order for said party of interest to deliver up the information requested within a specific time period;



- Statutory demands to recipients of Company monies whereby said recipient has been unable to sufficiently demonstrate why they received such monies; and
- Winding up or bankruptcy proceedings and associated witness statements and exhibits whereby statutory demands have not been fulfilled by the party upon which they were served within the prescribed timeframe of the repayment demand.

Crowell have a balance of time incurred for their work during the Liquidation outstanding in the sum of £132,616 plus VAT. This will be settled when funds allow.

In addition to the above, £3,869 plus VAT of disbursements have been incurred by Crowell in relation to counsels' fees and court filing costs. Of this balance, £3,032 plus VAT has been paid. The balance will be settled when funds allow.

Crowell remain instructed and are continuing to assist Quantuma in this regard.

Corporation Tax

As previously advised, MHA's accounts team were instructed to review the Company's Corporation Tax position upon the sale of the three freehold properties that were secured by the former Joint Administrators.

The sum of £22,036.39 was calculated as being the liability due to HMRC and has been settled accordingly.

VAT Irrecoverable

The Company is not registered for VAT and therefore, as previously advised, the office holders are unable to recover any VAT paid to third parties as part of the Liquidation process. The sum of £59,224 has been incurred by way of VAT Irrecoverable which is an expense of the Liquidation.

Stationery and Postage

Due to the quantum of investors and the requirement to send certain documents regarding the former Administration, subsequent Liquidation and the statutory investigations via post, the Liquidators have instructed a specialist postage agent to complete mass send outs to investors which is more commercial than completing this exercise in house. The sum of £1,941.02 plus VAT has been incurred and paid to the postage agent during the Liquidation.

Statutory Advertising

The sum of £89.20 plus VAT has been paid to Courts Advertising Limited in respect of advertising the Joint Liquidators appointment in the London Gazette. This is a statutory requirement per the provisions in the Insolvency Act.

ASSETS THAT REMAIN TO BE REALISED

Motor Vehicles

As per the Directors' Statement of Affairs from the former Administration, the Company owned motor vehicles with an approximate value of £6,000. To date, the former Joint Administrators and subsequent Joint Liquidators have identified one vehicle which was possibly owned / is owned by the Company. Despite being requested to do so, the director has not provided any additional information and are



unable to look into this asset further until further details are provided, at the very least a registration number.

Investments in LPHV Group Limited (“LPHV”) and its Subsidiaries

According to the Company’s records, the Company invested £2,731,200 in LPHV and its subsidiaries. Investments were made to facilitate the exploration of properties that had existing roof top space which could be converted and / or developed in order to extract profit. LPHV’s vision is to add penthouses to existing buildings, subject to planning permission.

It is understood that the Company had an agreement in place with LPHV whereby, in return for its investment, its initial investment would be repaid together with 30% of the profit made on the developments.

We are aware ten companies whereby the Company’s investment may have been directed and / or own property which was purchased using part or all of the Company’s investment.

As you are aware, FWJ wrote to LPHV demanding that the £2.7million referred to above be repaid to the Company and also requested further details regarding the agreement purported to be in place between LPHV and the Company. The director of LPHV is co-operative and, whilst copies of the agreement have not yet been delivered up, various bank statements and transaction analysis regarding the investment has been.

The director of LPHV has disputed the amount the Joint Liquidators believe is due to the Company and has provided his own reconciliation of what he believes is due, which is substantially lower than the above. The Joint Liquidators do not agree with the calculations in the reconciliation provided and are continuing to liaise with the director regarding the same. A further update will be provided to creditors in due course.

Investment in Westway Holdings (National) Limited (“National”)

The Directors’ Statement of Affairs suggested that the Company invested in National and the value of the investment was £1. Upon review, National appeared to be a dormant company with no assets. We did not locate any additional information following the review and National has since been dissolved. There will be no realisations from this source.

Shares in Iconic Boxes Limited

Creditors will recall that at the date of appointment of the former Joint Administrators’, the Company held 10,000 ordinary shares in Iconic Boxes Limited. These shares were then transferred to Rational Asset Management PLC (“Rationale”). The Joint Administrators instructed FWJ to review this transaction however the shares do not appear to hold any value as the Company has filed dormant accounts to date and is currently subject to a proposal to strike off. No further action will be taken in respect of these shares as it is not deemed that doing so would yield a benefit to creditors.

Freehold and Leasehold Property

Following receipt of draft Section 236 applications and, in one instance, a formal Section 236 application being issued to the Court which was seen through to a hearing and an order successfully granted in the Joint Liquidators’ favour, the Company’s key pre-appointment solicitors have delivered up their files.

The information extracted from the Company’s books and records to date highlights that these solicitors received £3.08million from the Company. The files delivered up by said solicitors allows us to trace



£1.41m of the above balance to four property transactions, all of which were owned by the Company as at the date of the former Joint Administrators' appointment and were sold for a higher sum than what it is understood the Company paid for them either by the former Joint Administrators at auction or by the LPA Receiver appointed by Together Commercial Finance Limited ("Together"). Please refer to the former Joint Administrators' progress reports to creditors for further information.

The Joint Liquidators are continuing to liaise with the Company's pre-appointment solicitors in respect of the transactions that led to the balance of £2.6million being paid by the Company and what benefit would be yielded by the Company in doing so. Ten additional property matters (including Nelson Road) are being queried (which is not an exhaustive list). A further update will be provided to creditors in due course.

Shares in Illimitable Limited

As a result of Quantuma's investigation's it has been established that in May 2019 the Company paid Illimitable Limited (which has common directors with RFX Financial Services Limited) £99,000 in return for an unknown shareholding. The directors were asked for their comments on the transaction and on the basis that no formal shareholding was ever registered at Companies House nor could any formal shareholder agreement be produced; the directors were requested to repay the £99,000 back to the Company unless evidence substantiating the transaction could be provided. In January 2022, the Company was registered as being the holder of 1,239 Ordinary Shares in Illimitable Limited which suggests that it paid £79.90p per share.

The Joint Liquidators' solicitors continue to pursue Illimitable Limited for a copy of the shareholder agreement together with details as to the valuation of the shares both at the time of the alleged purchase and now. A further update will be provided to creditors in due course.

Shares in Rationale Asset Management Limited (In Liquidation) ("RAM")

The Company holds 1,000,000 ordinary £1 shares in RAM.

As creditors may be aware, on 25 November 2020, FWJ advised that they had received a copy of a winding up petition presented against RAM under public interest grounds by the Secretary of State for Business, Energy, and Industrial Strategy.

The petition details that following an investigation into the trading activities of RAM and two connected Companies, the Secretary of State consider that the Companies were incorporated and structured to channel substantial investor funds (primarily through RAM) and used to dissipate funds to the detriment of investors through various irregular loans which have not yielded any return or benefit to investors.

The petitioner's solicitors confirmed that the Official Receiver was appointed as a provisional Liquidator on 27 August 2020 and a Court hearing was adjourned to 12 January 2021. I confirm that the Company is now in Liquidation and that Simon Bonney and I were appointed Joint Liquidators of RAM on 9 February 2021. Our statutory investigations are underway and until these are finalised, we are unable to comment as to whether or not there will be sufficient assets to enable a distribution to be made to the Company in its capacity as a creditor and / or member. There have been no distributions in the estate of RAM as the date of this report.

A further update will be provided in due course.

Digital Currency

Quantuma's investigations have highlighted that the Company may have had an interest in trading digital currency. We have entered into a dialogue with various parties of interest to ascertain particulars



however there is incredibly limited information available in the Company's books and records and unless the parties of interest are able to provide us with further information, it is unlikely we will be able to identify any claims that can be brought.

Future Claims against Third Parties

The Joint Liquidators are progressing their investigation into the Company's financial transactions so that it reaches a point whereby they can conclude as to whether there are any claims to bring against third parties and, if so, whether there would be a reasonable prospect of success given the costs involved to litigate (which would almost certainly be required in this case). This includes but is not limited to any claims against the director / former directors.

Due to the sensitive nature of our investigations, further information cannot be provided at this time so as to not jeopardise any potential claims and / or the outcome of current claims being brought. A further update will be provided in due course.

LIABILITIES

Secured Creditors

According to the records at Companies House, the Company granted the following charges over its assets to More Group and Together:

- A fixed charge that was created 14 October 2016 and delivered to the Registrar of Companies on 3 November 2016.
- A fixed charge that was created 26 April 2018 and delivered to the Registrar of Companies on 27 April 2018.
- A fixed charge that was created 29 January 2019 and delivered to the Registrar of Companies on 30 January 2019; and
- A fixed charge that was created 29 January 2019 and delivered to the Registrar of Companies on 30 January 2019.

Together

Together had security over the properties known as 58-62 Balliol Road, as detailed above. In the former Administration period, the net proceeds of the sale were transferred to Together in respect of their outstanding liability. No surplus funds will be received.

More Group

On 14 October 2016, the Company appointed More Group as Security Trustee by way of a Security Trust Deed in favour of all bondholders. Whilst More Group resigned as Security Trustee on 7 August 2019, the security registered in its favour remains as outstanding at Companies House. Certain bondholders have questioned whether this effectively creates security in favour of the bondholders as individuals. A number of issues arise in terms of the role of the Security Trustee and the effect of security taken in its favour by way of a Debenture created 26 April 2018 which is stated to contain fixed and floating charges over certain of the assets of the Company.

In determining what assets are secured by the Debenture, it appears that the documents filed purport to grant fixed and floating charge security over the property at 146 Wellesley Road, Clacton On Sea, C015 3QD to the exclusion of all other property of the Company. Consequently, it seems that, regardless of the validity of the Debenture, the value of this property would likely be insignificant in comparison to the entirety of the bondholders' claims.



In order for a charge to be regarded as fixed (and therefore, for the benefit for the charge holder without deduction) case law provides that is not sufficient for a charge to merely be stated to be fixed without exercising the requisite degree of control by the charge holder. It remains unclear as to how More Group exercised sufficient control over the fixed charge elements of the Debenture and, it appears, some extent of the fixed charges within the Debenture may be re-characterised as floating.

The Debenture was granted approximately 18 months after the creation of the Security Trust Deed. Any floating charge registered against the Company must be taken prior to or contemporaneously with the facility it purports to secure to ensure that it is not invalid under Section 245 of the Insolvency Act 1986 and must be registered at Companies House within 21 days of its creation. Aside from the Debenture and its timing, none of the provisions of the Security Trust Deed itself purport to create fixed and floating charge security over the assets of the Company and whilst the document defines the term "Fixed and Floating Charge" as being "the first fixed and floating charge, dated on or about the date hereof..." it appears that either no such contemporaneous charge was ever created or that if such security was created that this would be void for non-registration.

Notwithstanding the above, More Group resigned as Security Trustee on 7 August 2019 and despite assurances by the Company that a replacement Security Trustee would step in, this never happened. In the circumstances, it would seem that regardless of the validity of the security and how it may or may not attach itself to the bondholders, most creditors, with a few exceptions, are bondholders who would have been represented by the Security Trustee and consequently would rank equally making little difference in the outcome to creditors. The aforementioned point therefore appears to be academic with little practical consequence.

I confirm that the investigation into More Group is still under review and I have instructed HCR who have to assist and provide legal input. We have received a number of documents from More Group however enquiries are ongoing. The Joint Liquidators have also instructed Counsel to advise on the position. The Joint Liquidators are not able to disclose any additional information at this stage.

Preferential Creditors

The estimated financial position of the Company did not include an amount as owed to preferential creditors and no claims have been received or are expected from this class of creditor. Quantuma's investigations have highlighted a number of payments to individuals with reference "salary" on the bank statements and further details have been requested from these individuals but no formal claims have been received nor has any evidence of employment been produced.

Please note that monies with such references form part of the investigation.

Non-Preferential Unsecured Creditors/Investors

The Company's Estimated Financial Position includes unsecured non-preferential creditors' claims totalling £26,249,824. At the date of this report the Joint Administrators have received claims of £22,650,390. Further claims are expected as not all known creditors have submitted proof of debt forms as at the date of this report.

HMRC have submitted a provisional claim of £500 which is included in the above sum and they are currently reviewing the position.

DIVIDEND PROSPECTS



Due to the ongoing investigations and potential claims identified in addition to the outstanding assets, the Company was placed into Creditors' Voluntary Liquidation to facilitate a distribution in due course should sufficient funds be.

Please note that based on current information, I am unable to confirm the quantum or timing of any distribution, namely due to the ongoing investigation and the many uncertainties and complexities of the case. The Joint Liquidators estimate that there may be a small dividend to creditors which is estimated at under 10 pence in the £. This may be enhanced by further recoveries as outlined in the asset section of this report and any future reports and any actions taken and / or claims brought as a result of the investigation once it is brought to an end.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

As previously advised, the City of London Police and the Official Receiver are investigating the actions of the Company which took place prior to the Joint Administrators' appointment.

During the former Administration and in the subsequent Liquidation, Quantuma have also undertook (and continue to undertake) a through investigation into the Company's affairs to establish whether there are any potential asset recoveries or conduct matters that justify further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation and the costs involved. We are required by the Statements of Insolvency Practice to undertake such an investigation and the work detailed throughout this report has been undertaken in connection with that investigation which very much remains underway.

Significant progress has been and continues to be made which has already led to assets being realised for the benefit of creditors. Due to the nature of these investigations however, I am unable to disclose any detailed information at this time other than what has already been set out in this report as it may prejudice the outcome of the potential claims that have been identified.

As a Creditors' Committee has been appointed on this case, regular confidential updates are provided to them regarding the case (usually quarterly). The Creditors' Committee have advised that they are pleased with the progress of the Liquidation to date.

LIQUIDATORS' REMUNERATION

The Joint Liquidators are not seeking approval for their remuneration at present.

MHA's time costs for the period 30 April 2021 to 29 April 2022 amount to £57,537 representing 173.27 of hours of work at an average charge out rate of £332.06 per hour. Please find the time analysis for the period attached at Appendix 3.

Quantuma's time costs for the period 30 April 2021 to 29 April 2022 amount to £193,439.50 representing 710 hours of work at an average charge out rate of £272.18 per hour. Please find the time analysis for the period attached at Appendix 4.

I can confirm that the balance of the former Joint Administrators Fees, as approved by creditors, have been paid in full. In the reporting period, £115,828 plus VAT was drawn and paid to Quantuma.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at <https://www.macintyreHUDSON.co.uk/?/guides-to-fees>. There are different versions of these Guidance Notes, and in this case please refer to the most recent version. Please note that we have also provided further information about an office holder's remuneration and expenses in our practice fee recovery sheet, which is also available at <https://www.macintyreHUDSON.co.uk/?/guides-to-fees>



LIQUIDATORS' EXPENSES

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into two categories as follows:

- Category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
- Category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration. The Joint Liquidators have not yet sought approval to draw category 2 expenses in the Liquidation.

A breakdown of the expenses incurred is included in the summary above. To confirm, I have incurred expenses of £564,315.

Expense	Total Expenses incurred (rounded to the nearest £)	Total Expense paid from funds held (rounded to the nearest £)
Office Holder Fees - MHA	57,537	-
Office Holder Fees - Quantuma	193,440	-
Former Joint Administrators' Fees as approved by the Creditors' Committee	NA – Incurred during the Administration period not the Liquidation.	115,828
Office Holder Expenses - MHA	310	-
Office Holder Expenses - Quantuma	331	-
Bank Conversion Fee	437	437
Council Tax	1,854	1,854
Agents Fees	2,000	2,000
Legal Fees – FWJ		76,349
Legal Fees – Crowell & Moring LLP ("Crowell")	173,992	70,263
Legal Disbursements – Crowell	3,869	3,032
Legal Fees – HCR	47,256	25,000
Legal Disbursements		7,589
Corporation Tax	22,036	22,036
VAT Irrecoverable	59,223	59,223
Statutory Advertising	89	89
Stationery and Postage	1,941	1,941
Total	564,315	385,642

I have used the following professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
ESA Risk Ltd	Agent	Time Costs
FWJ	Solicitors	Time Costs
HCR	Solicitors	Time Costs
Crowell	Solicitors	Time Costs
AADD	Agent	Fixed Fee
Accurate Mailing	Agent	Fixed Fee



The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I also confirmed that they hold appropriate regulatory authorisations. I have reviewed the fees they have charged and am satisfied that they are reasonable in the circumstances of this case.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Joint Liquidators' remuneration and expenses within 21 days of their receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Joint Liquidators as being excessive, and/or the basis of the Joint Liquidators' remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Macintyre Hudson LLP and Quantuma, including the complaints policy and Professional Indemnity Insurance, can be found at <https://www.macintyreHUDSON.co.uk/legal-disclaimer> and <http://www.quantuma.com/legal-information> respectively.

SUMMARY

The Liquidation will remain open until all outstanding known assets and matters have been dealt with, our investigations have concluded, and any applicable claims have been brought against the relevant parties. Given the complexity of this matter, I estimate that this may take approximately 24-36 months.

Once the above has been completed and any final distributions to creditors paid as a result, the Joint Liquidators will seek their release from office and our files will be closed.

Once again, I would like to thank all investors for their patience.

Michael Colin John Sanders
JOINT LIQUIDATOR
AUTHORISED TO ACT BY THE INSOLVENCY PRACTITIONERS ASSOCIATION



1. Administration

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up electronic case files
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining, and managing the office holder's estate bank account.
- Creating, maintaining, and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case-by-case administrators.
- Preparing, reviewing, and issuing annual progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing Corporation Tax returns.

2. Creditors

Claims of creditors - the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

Dividends - the office holder has to undertake certain statutory formalities in order to enable him to pay a dividend to creditors. This includes writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.

- Dealing with creditor correspondence, emails, and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.

Westway Holdings Limited
(In Liquidation)
JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 30/04/2021 To 29/04/2022 £	From 30/04/2021 To 29/04/2022 £
RECEIPTS			
Motor Vehicles	6,000.00	0.00	0.00
London Penthouse - Various	Uncertain	0.00	0.00
Westway Holdings (National) Limited	1.00	0.00	0.00
Cash held by Third Parties	120,023.00	0.00	0.00
Rationale Asset Management	450,000.00	0.00	0.00
Legal Fees held on account		726.00	726.00
Iconic Boxes	50,000.00	0.00	0.00
Funds from Administration		347,987.59	347,987.59
Westway International Limited	Uncertain	35,456.25	35,456.25
Debtor - Pinewood		30,000.00	30,000.00
Bank Interest Gross		10.70	10.70
		<u>414,180.54</u>	<u>414,180.54</u>
PAYMENTS			
Office Holders Fees		115,828.00	115,828.00
Bank Conversion Analysis		437.00	437.00
Council Tax		1,853.66	1,853.66
Agents/Valuers Fees (2)		2,000.00	2,000.00
Legal Fees		177,612.01	177,612.01
Legal Disbursements		4,621.34	4,621.34
Corporation Tax		22,036.39	22,036.39
VAT Irrecoverable		59,223.63	59,223.63
Stationery & Postage		1,941.02	1,941.02
Statutory Advertising		89.20	89.20
		<u>385,642.25</u>	<u>385,642.25</u>
Net Receipts/(Payments)		<u>28,538.29</u>	<u>28,538.29</u>
MADE UP AS FOLLOWS			
Bank - Barclays - IB		10,570.89	10,570.89
Bank - Barclays - IB (2nd Acc.)		17,967.40	17,967.40
		<u>28,538.29</u>	<u>28,538.29</u>

Note:

Westway Holdings Limited
(In Creditors Voluntary Liquidation)

Analysis of time costs for the period 30 April 2021 to 29 April 2022

Classification of Work	Partner		Director		Manager		Administrator		Assistant		Cashier		Total Hours	Time Cost	Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	(£)
Administration and Planning	0.60	339.00	0.00	0.00	4.42	1,588.09	35.80	10,659.25	5.08	881.18	0.00	0.00	45.90	13,467.52	293.41
Case Review and Case Diary Management	0.00	0.00	0.00	0.00	4.70	2,115.00	1.00	330.00	1.00	200.00	0.00	0.00	6.70	2,645.00	394.78
Cashiering	0.00	0.00	0.00	0.00	0.00	0.00	2.60	876.00	4.00	800.00	19.40	4,365.00	26.00	6,041.00	232.35
Communicating with Creditors	4.40	2,486.00	0.00	0.00	5.50	2,465.00	47.90	16,208.00	1.00	200.00	0.00	0.00	58.80	21,359.00	363.25
Corresponding with Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.30	99.00	0.00	0.00	0.00	0.00	0.30	99.00	330.00
Investigations	5.40	3,051.00	0.00	0.00	8.00	3,600.00	9.30	3,162.00	5.70	1,140.00	0.00	0.00	28.40	10,953.00	385.67
IPS Setup & Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	200.00	0.00	0.00	1.00	200.00	200.00
Realisation of Assets	0.80	452.00	0.00	0.00	0.77	345.00	0.90	310.00	0.00	0.00	0.00	0.00	2.47	1,107.00	448.18
Strategy Case Planning	0.00	0.00	0.00	0.00	3.70	1,665.00	0.00	0.00	0.00	0.00	0.00	0.00	3.70	1,665.00	450.00
Total (£)	11.20	6,328.00	0.00	0.00	27.09	11,778.09	97.80	31,644.25	17.78	3,421.18	19.40	4,365.00	173.27	57,536.52	332.06
Average Hourly Rate (£)		565.00		0.00		434.78		323.56		192.42		225.00			

Time Entry - Detailed SIP9 Time & Cost Summary

6008630 - Westway Holdings Limited
From: 30/04/2021 To: 29/04/2022
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 : Administration & Planning	8.50	0.00	47.30	0.00	55.80	16,616.00	297.78
103 : IPS Case / File set up/ Filing	0.00	0.30	4.20	0.00	4.50	1,499.50	333.22
104 : General Administration	0.10	20.20	7.10	3.10	30.50	8,550.50	280.34
105 : Case strategy / Review	0.00	0.40	8.00	1.00	9.40	2,950.00	313.83
Admin & Planning	8.60	20.90	66.60	4.10	100.20	29,616.00	295.57
600 : Cashiering	0.00	0.00	2.10	0.10	2.20	603.00	274.09
Cashiering	0.00	0.00	2.10	0.10	2.20	603.00	274.09
200 : Creditors	13.90	0.00	0.00	0.00	13.90	8,062.00	580.00
201 : Creditors	0.30	0.20	12.50	0.00	13.00	3,234.50	248.81
203 : Creditor correspondence / Call	0.00	0.00	3.70	9.90	13.60	2,818.50	207.24
205 : Committee reporting	0.00	0.00	20.60	0.00	20.60	6,901.00	335.00
205A : Committee Meetings, Minutes & Liasing with Members	0.00	0.00	2.40	1.80	4.20	1,092.00	260.00
209 : Creditors meetings	0.00	0.00	0.10	0.00	0.10	33.50	335.00
Creditors	14.20	0.20	39.30	11.70	65.40	22,141.50	338.56
300 : Investigations	55.60	4.10	209.80	264.10	533.60	137,334.50	257.37
301 : CDDA Reports	0.00	0.30	0.00	0.00	0.30	112.50	375.00
303 : Computer and digital record analysis	0.00	0.00	0.80	0.00	0.80	268.00	335.00
Investigations	55.60	4.40	210.60	264.10	534.70	137,715.00	257.56
400 : Realisation of Assets	2.60	0.00	0.00	0.00	2.60	1,508.00	580.00
405 : Debtors	0.00	0.00	5.20	0.00	5.20	1,742.00	335.00
411 : Cash at Bank	0.00	0.00	0.40	0.00	0.40	114.00	285.00
Realisation of Assets	2.60	0.00	5.60	0.00	8.20	3,364.00	410.24
Total Hours	81.00	25.50	324.20	280.00	710.70	193,439.50	272.18
Total Fees Claimed						0.00	

Time Entry - SIP9 Time & Cost Summary

Category 2 Disbursement (Grouped By Analysis Code)

6008630 - Westway Holdings Limited
Project Code: POST
From: 30/04/2021 To: 29/04/2022

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest.

Disbursement Description / Analysis Codes		Amount
Stationery: (708 :)		34.50
Total		34.50

FOCUS ON

Restructuring and Recovery

- CHARGE OUT RATES

The below information is to assist creditors in making an informed decision on any resolution seeking approval of the office holder's remuneration.

MHA MacIntyre Hudson's Restructuring and Recovery charge out rates (exclusive of VAT).

Our current charge-out rates which may be amended from time to time are as follows:

Position	Rates from 1 April 2021 – 31 March 2022	1 April 2022 – 31 March 2023
Partner	565	565
Director	475-565	475 - 565
Manager	350-450	350 - 450
Administrators		
Senior Administrator	235 - 330	235 - 330
Administrator	250 - 310	250 - 310
Assistant	190 - 195	190 - 195
Cashier	205	205

It is the firm's policy to recharge all disbursements properly incurred to the relevant insolvency case where there is identifiable specific expenditure. Any costs which may involve an element of shared or allocated costs or are for services provided by the firm, are detailed in the firm's receipts and payments accounts as 'Category 2 Disbursements'.

MHA MacIntyre Hudson's Restructuring and Recovery disbursements charges (exclusive of VAT).

Our current disbursement charges which may be amended from time to time are as follows:

Disbursement	Charge £
Photocopying	15p per copy
Postage	per current postal charges
Travel	As per cost
Car Mileage	48p per mile
Document storage (internal)	70p per box per month
Storage	£5 per box per month
Room Suite 1 & 2 half day/evening hire	£150
Room Suite 1 & 2 full day	£300
Room Suite 1, 2 & 3 half day/evening	£200
Room Suite 1, 2 & 3 full day	£400

Please note that no charge is made relating to the recovery of the firm's overhead costs.

Contact

Should you require clarification on any of the above, do not hesitate to contact us on **+44(0)20 7429 4100** or email: **MHARestructuringRecovery@mhllp.co.uk**

macintyreHUDSON.co.uk



CHARGE OUT RATES

Staff Allocation & Support Staff

An objective and practical approach is taken to each case which includes active CEO/Managing Director's involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. In accordance with the provisions of Statement of Insolvency Practice 9 (SIP 9), set out below are the current charge out rates per hour for the grades of staff employed within Quantuma Advisory Limited, exclusive of VAT.

Grade of Staff	Rate from 23 June 2022	
	Regional Offices	London Offices
CEO/Managing Director	£495.00	£665.00
Appointment Taking Director	£450.00	£560.00
Director	£400.00	£525.00
Senior Manager	£345.00	£460.00
Manager	£325.00	£395.00
Assistant Manager	£295.00	£360.00
Senior Administrator	£250.00	£310.00
Administrator	£200.00	£275.00
Assistant Administrator	£160.00	£210.00
Case Accountant	£110.00	£140.00
Junior Administrator	£125.00	£165.00
Support Staff/Executive Assistant	£110.00	£140.00

Work undertaken is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Cases that are considered complex in nature are subject to a 25% increase on the published rates above. A full explanation of why a case is considered to be complex will be provided to creditors at the point fee approval is requested.

Time spent on casework is recording directly to the relevant case and the nature of the work undertaken is recorded at that time. The work is recorded under the following categories:

- Administration & Planning
- Creditors
- Investigations
- Realisation of Assets
- Trading
- Cashiering
- Closing Procedures

On occasion it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment any material changes will be notified to creditors as part of the normal fee reporting procedures. Rates are likely to be subject to periodic increase.

The time of support staff and executive assistants is not charged to a case except when the initial set up is being performed or when a sizeable administrative task or appropriate ad hoc duty is being undertaken.

Quantuma Advisory Limited

Schedule of Current Charge Out Rates and Chargeable Expenses



Details of historic charge out rates are available to review [here](#) or will be provided upon request.

Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holder or his staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.

EXPENSES

Expenses are any payments from the insolvency estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate.

Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2). The following details are effective from 1 April 2021. Details of historic disbursement charges are available to review [here](#) or will be provided upon request.

Category 1 Expenses:

These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.

Examples of these expenses include, but are not limited to, the following:

Category 1 Expense – effective from 1 April 2021	Basis of Charge
Professional Advice e.g. costs of solicitors, agents & valuers, pensions advisors, employment specialists etc	Typically on a timecosts or fixed fee basis – the basis of charge will be agreed by the office holder so as to represent best value and will be provided in reports to creditors. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.
Statutory & other Advertising	At cost incurred.
Indemnity Bond	At cost of mandatory cover required in accordance with the Insolvency Act 1986 for each appointment
Insurance of assets	At cost in relation to asset coverage requirements
Travel	All forms other than mileage at actual cost
Room Hire	All external venues at actual cost
Record Listing, Storage & Retrieval	At cost incurred
Printing & Postage costs of external provider.	At cost incurred
Virtual Meeting Platform (from 6/4/17)	At cost incurred

Category 2 Expenses

These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration.

The term associate is defined in the insolvency legislation. Additionally SIP 9 directs that where a reasonable and informed third party might consider there would be an association, payments should be

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Quantuma Advisory Limited
Schedule of Current Charge Out Rates and Chargeable Expenses



treated as if they are being made to an associate, notwithstanding the nature of the association may not meet the definition in the legislation.

Examples of Category 2 expenses include, but are not limited to, the following:

Category 2 Expense – effective from 1 April 2021	Cost £
Mileage incurred as a result of necessary travel as per HMRC's approved rate (per mile)	£0.45
Professional Services provided by non-insolvency service lines within Quantuma Advisory Limited or by associated Companies within the Corporate Group structure of Quantuma Advisory Limited	As advised to creditors on a case by case basis.

The schedule is available for creditors to review at <http://www.quantuma.com/guide/creditors-guide-fees>.

VAT

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the office holders' remuneration and expenses invoiced to the insolvency estate will be subject to VAT at the prevailing rate.

Creditors' Rights

Information about Creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk>. Details about how an office holder's fees may be approved for each case type and challenged are available in a series of guides issued with SIP 9 and can be accessed at <https://www.quantuma.com/guide/creditors-guide-fees>. Alternatively hard copies of these documents may be requested free of charge from Quantuma's registered office.