

AM10

Notice of administrator's progress report



Companies House

SATURDAY



A18 *A7IWN7IZ* #140
17/11/2018
COMPANIES HOUSE

1 Company details

Company number 05964692

Company name in full PCJ Solicitors Limited

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

2 Administrator's name

Full forename(s) Andrew

Surname Poxon

3 Administrator's address

Building name/number Leonard Curtis

Street Tower 12, 18/22 Bridge Street
Spinningfields

Post town Manchester

County/Region

Postcode M3 3BZ

Country

4 Administrator's name ①

Full forename(s) Julien

Surname Irving

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Leonard Curtis

Street Tower 12, 18/22 Bridge Street
Spinningfields

Post town Manchester

County/Region

Postcode M3 3BZ

Country

② Other administrator
Use this section to tell us about
another administrator.

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6 Period of progress report

From date	d	0	d	3	m	0	m	5	y	2	y	0	y	1	y	8
To date	d	0	d	2	m	1	m	1	y	2	y	0	y	1	y	8

7 Progress report☒ I attach a copy of the progress report**8** Sign and dateAdministrator's
signature

Signature

X



X

15/11/18.

Signature date

d	d	m	m	y	y	y	y
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AM10

Notice of administrator's progress report



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	Gemma McLaughlin
Company name	Leonard Curtis
Address	Tower 12, 18/22 Bridge Street
	Spinningfields
	Manchester
Post town	
County/Region	
Postcode	M 3 3 B Z
Country	
DX	
Telephone	0161 831 9999



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**PCJ SOLICITORS LIMITED
(IN ADMINISTRATION)**

Registered Number: 05964692

Court Ref: 3191 of 2015

High Court of Justice Business and Property Courts in Manchester - Company & Insolvency List (CHD)

**Joint Administrators' sixth progress report in accordance
with Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

**Report period
3 May 2018 to 2 November 2018**

16 November 2018

**Andrew Poxon and Julien Irving - Joint Administrators
Leonard Curtis
Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ
Tel: 0161 831 9999 Fax: 0161 831 9090
General email: recovery@leonardcurtis.co.uk
Ref: M/20/GM/P818K/1010**

CONTENTS

1	Introduction
2	Statutory Information
3	Joint Administrators' Proposals
4	Progress of the Administration
5	Assets Still To Be Realised
6	Investigations
7	Joint Administrators' Remuneration and Disbursements
8	Joint Administrators' Expenses
9	Estimated Outcome for Creditors
10	Matters Still to be Dealt With
11	Extensions to the Administration
12	Next Report
13	Data Protection

APPENDICES

A	Summary of Joint Administrators' Approved Proposals
B	Summary of Joint Administrators' Receipts and Payments Account for the Period from 3 May 2018 to 2 November 2018
C	Summary of Joint Administrators' Time Costs for the Period from 3 May 2018 to 2 November 2018
D	Summary of Joint Administrators' Total Time Costs to Date Incorporating a Comparison with the Joint Administrators' Approved Fees Estimate
E	Summary of Joint Administrators' Expenses for the Period from 3 May 2018 to 2 November 2018 Incorporating a Comparison with the Joint Administrators' Statement of Likely Expenses
F	Leonard Curtis Policy regarding Fees, Expenses and Disbursements
G	Estimated Outcome Statement
H	Privacy Notice

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NOT FOR PUBLICATION**

**TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS
ALL MEMBERS**

1 INTRODUCTION

- 1.1 This report has been produced in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 ("the Rules") to provide creditors with an update on the progress of the Administration of PCJ Solicitors Limited ("the Company") for the period from 3 May 2018 to 2 November 2018. This is the Joint Administrators' sixth progress report to creditors.
- 1.2 Much of the information contained in this report encompasses the whole period of the Administration. Please be aware, however, that where reference is made to "the period of this report", this specifically means 3 May 2018 to 2 November 2018, being the period since the end of the period covered by the last progress report.

2 STATUTORY INFORMATION

- 2.1 Andrew Poxon and Julien Irving were appointed as Joint Administrators of the Company in the jurisdiction of High Court of Justice Business and Property Courts in Manchester - Company & Insolvency List (CHD), number 3191 of 2015 on 19 November 2015. The Administration appointment was made by the Directors. The Joint Administrators can confirm that there has been no change in office-holder since the date of Administration.
- 2.2 The Administration is being handled by the Manchester office of Leonard Curtis, which is situated at Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ.
- 2.3 The principal trading address of the Company was 2 Moorfields, Liverpool, L2 2BS. The business traded under its registered name.
- 2.4 The registered office address of the Company at the date of the appointment of the Joint Administrators was Il Palazzo, Liverpool, L2 0RD. Following the appointment, this was changed to Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ. The registered number of the Company is 05964692.
- 2.5 For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended), it should be noted that during the period in which the Administration Order is in force, any act or function required or authorised under any enactment to be done by the Joint Administrators may be exercised by all or any of the persons holding that office.
- 2.6 The Company's main centre of operations is based in the UK. The EC Regulation on Insolvency Proceedings applies and the proceedings are main proceedings under the Regulation.

3 JOINT ADMINISTRATORS' PROPOSALS

- 3.1 Attached at Appendix A is a summary of the Joint Administrators' approved proposals for achieving one of the three statutory purposes of Administration.
- 3.2 The Proposals were deemed approved by creditors on 3 November 2017.
- 3.3 There have been no major amendments to, or deviations from, the proposals during the course of the Administration to date.

- 3.4 The objective of the Administration is to realise property in order to make a distribution to one or more secured or preferential creditors.
- 3.5 This objective has been achieved as Jason Lee and Dominic Lloyd have received distributions under their floating charge, and preferential creditors of the Company have been repaid in full.

4 PROGRESS OF THE ADMINISTRATION

- 4.1 Attached at Appendix B is the Joint Administrators' receipts and payments account for the period from 3 May 2018 to 2 November 2018.

4.2 Monies received in error

As detailed in our last progress report a balance of £2,370.00 remained to be distributed to disbursement creditors. Enquiries have been made during the period to establish the correct treatment of these monies which have been dealt with following the period of this report and will be reflected in our final report.

4.3 Disbursements to pay out

As detailed in our last progress report a balance of £14,276.20, recovered from case settlements, remained to be distributed to the relevant parties. During the period of this report a sum of £7,191.80 has been dispersed and the remainder has been dealt with following the period of this report and will be reflected in our final report.

4.4 Bank Interest

Bank interest totalling £96.48 has been received in the period.

All assets in this case have now been realised, and no further asset realisations are expected.

5 ASSETS STILL TO BE REALISED

No further asset realisations are expected.

6 INVESTIGATIONS

- 6.1 As previously reported, following their initial assessment, no detailed investigations were considered to be required by the Administrators. Nothing further has been brought to the attention of the Administrators in the period of this report.

7 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

Pre-Administration Costs

- 7.1 On 28 January 2016, the secured and preferential creditors consented to the following pre-Administration costs and expenses being paid as an expense of the Administration:

Charged by	Services provided	Total amount charged £
Leonard Curtis	Financial assessment, reviewing security documentation and insolvency advice	13,831
Bermans	Reviewing security documentation, preparing appointment documentation and corresponding with Accident Exchange's Solicitors	3,690
TOTAL		17,521

These costs have now been paid and are detailed in the receipts and payments account attached at Appendix B.

Joint Administrators' Remuneration

- 7.2 On 28 January 2016, the secured and preferential creditors agreed that the basis of the Joint Administrators' remuneration be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration for an amount not exceeding £85,607.00, as set out in a Fees Estimate.
- 7.3 As advised in our previous progress report, the Joint Administrators had reverted to the secured and preferential creditors to request further approval to the Fees Estimate.
- 7.4 On 14 November 2017, Notice of a Decision Procedure by Correspondence was issued to all known preferential creditors. The preferential creditors were asked to vote on the resolutions/decisions listed below. The Decision Date was 30 November 2017.

Resolution 1

In the absence of a creditors' committee, that the remuneration of the Joint Administrators be fixed by reference to time properly spent by them and their staff in attending to matters as set out in the revised Fees Estimate (for an amount not exceeding £161,169).

Resolution 2

That the Joint Administrators be authorised to take a fixed fee of £15,000 in respect of agreeing unsecured claims and distributing the prescribed part funds accordingly of which c£5,000 in respect of LC Legal's time incurred in extending the administration by court application in order for a prescribed part distribution to be made.

- 7.5 The outcome of the Decision Procedure was that the two resolutions were passed by the preferential creditors, as sufficient votes were received.
- 7.6 The secured creditors, Jason Lee and Dominic Lloyd, also approved the two resolutions.
- 7.7 The Joint Administrators' time costs are summarised below:

	Hours No.	Rate / hr £	Total value of time £
Time previously reported	868.4	318.98	277,006.00
Unposted time incurred in previous reporting period	1.9	276.58	525.50
Time incurred for the period 3 May 2018 to 2 November 2018	102.8	271.04	27,862.50
Total Administrators' time costs	973.10	313.84	305,394.00

- 7.8 The time charged by the Joint Administrators for the period 3 May 2018 to 2 November 2018 amounts to £27,862.50. This represents 102.8 hours at an average rate of £271.04 hour. A summary of time costs incurred in the period is attached at Appendix C. A detailed description of work undertaken attributable to each category

of time costs and an explanation of why it was necessary for that work to be performed is also provided at Appendix C.

- 7.9 In addition, a summary of the Joint Administrators' time costs encompassing the whole of the Administration incorporating a comparison with time costs as set out in the Joint Administrators' Fees Estimate, is attached at Appendix D.
- 7.10 You will note that time costs incurred do exceed the time as set out in the Fees Estimate, as demonstrated at Appendix D. The areas where significant variance has occurred relate to the following:
- Receipts and Payments – time posted to receipts and payments has exceeded the fees estimate. This is largely the result of the requirement to complete journals to ensure the correct allocation of disbursements, arranging repayment of the monies received in error and the payment of disbursements. Time has been spent making payments to the secured creditors and preferential creditors.
 - Time posted to liabilities has exceeded the fees estimate. This has been incurred largely as a result of having to prepare a fee increase report to request an increase in the fees estimate from the secured and preferential creditors of the Company, in addition to the preparation of a report to facilitate the Court extension to the Administration.
- 7.11 The Administration is not yet complete and it is therefore anticipated that further time costs will be incurred in dealing with this matter. The Joint Administrators Fees Estimate has already been exceeded however we do not intend to revert to creditors for further approval. The information provided above is therefore for information purposes only.
- 7.12 Further guidance may be found in "A Creditors' Guide to Administrators' Fees" which may be downloaded from:
<https://www.r3.org.uk/what-we-do/publications/professional/fees>
- 7.13 If you would prefer this to be sent to you in hard copy please contact Gemma McLaughlin of this office on 0161 831 9999.
- 7.14 The remuneration drawn by the Joint Administrators to date totals £176,169.00 plus VAT.

8 JOINT ADMINISTRATORS' EXPENSES

- 8.1 Creditors will recall that the Joint Administrators have previously circulated a 'Statement of Likely Expenses' in this matter.

Expenses are separated into the following categories:

- (i) Standard Expenses: this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.
- (ii) Case Specific Expenses: this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in a particular case. Also included within this category are costs that are directly referable to the Administration but are not paid to an independent third party (and which may include an element of allocated costs).

These are known as "Category 2 disbursements" and are subject to the approval of the creditors. On 28 January 2016, the secured and preferential creditors also approved that category 2 disbursements could be drawn by the Joint Administrators, as detailed at Appendix F.

- 8.2 A copy of the Joint Administrators' statement of likely expenses, together with comparative details of expenses incurred during the current reporting period and confirmation as to whether those amounts are paid or unpaid is set out at Appendix E.

- 8.3 You will note that, in general, the nature and value of expenses incurred to date fall within those anticipated within the original statement of expenses.
- 8.4 The cost of storage has increased significantly from the original estimate. This is because there were significantly more boxes of records that were required to be placed into storage than were originally anticipated.
- 8.5 Attached at Appendix F is additional information in relation to the firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade.
- 8.6 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or with the permission of the court, may make a written request to the Joint Administrators for further information about remuneration or expenses set out in this report.
- 8.7 Under Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court, on the grounds that the basis fixed for the Joint Administrators' remuneration is inappropriate, or the remuneration or expenses charged by the Joint Administrators are, in all the circumstances, excessive.
- 8.8 The application must be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question.
- 8.9 Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the Administration.

9 ESTIMATED OUTCOME FOR CREDITORS

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

9.2 Secured Creditors

Jason Lee held security by way of an all assets debenture incorporating a fixed and floating charge over the Company's assets created on 16 November 2010. Dominic Lloyd held security by way of an all assets debenture incorporating a fixed and floating charge over the Company's assets created on 16 November 2010.

According to the Company's records, the sum of £285,382 and £444,857 remained outstanding to Jason Lee and Dominic Lloyd respectively at the date of the Administration.

To date, £322,737.30 has been distributed to the two secured creditors which has been split equally as agreed with Mr Lee and Mr Lloyd. A further small distribution will be made after distributing the prescribed part for unsecured creditors.

9.3 Preferential Claims

On 24 November 2017, a first and final preferential dividend of 100 pence in the pound was declared and paid on claims totalling £5,335.98.

9.4 Prescribed Part

The Insolvency Act 1986 provides that where a company has created a floating charge after 15 September 2003, the administrator must make a prescribed part of the company's net property available to the unsecured creditors

and not distribute it to the floating charge holder in so far as it exceeds the amount required for the satisfaction of unsecured claims.

Following the period of this report, on 14 November 2018, a first and final dividend was declared and paid to unsecured creditors of the Company. The total prescribed part amount was £86,189.39. Once the prescribed part fees totalling £15,000 had been deducted, the total amount to distribute to creditors was £71,189.39.

Agreed creditor claims totalled £1,968,687, therefore resulting in a dividend of 3.7836 pence in the £.

9.5 Unsecured Non-Preferential Claims

There have been insufficient funds available to enable a distribution to unsecured creditors other than via the prescribed part. This statement is being made in accordance with paragraph 52(1)(b) of Schedule B1 to the Act.

10 MATTERS STILL TO BE DEALT WITH

10.1 Matters still to be dealt with before conclusion of the Administration include the following:

- The distribution of the prescribed part fund;
- A final distribution to the secured creditors; and
- The remaining disbursement creditors will need to be defrayed.

11 EXTENSIONS TO THE ADMINISTRATION

11.1 A twelve month extension was previously obtained from the secured and preferential creditors in order to progress the collections from the WIP, pay disbursements creditors, make a distribution to the secured and preferential creditors, and set aside a prescribed part fund for the benefit of unsecured creditors.

11.2 A further extension was required from the Court in accordance with Paragraph 107 of Schedule B1 to the Insolvency Act 1986 as there were remaining assets to be realised. The Joint Administrators duly requested that the Court grant an order to extend the Administration by a period of 12 months to 18 November 2018, which was heard and granted on 3 November 2017.

11.3 No further extensions are required.

12 NEXT REPORT

12.1 The Joint Administrators are required to provide a progress report which must be delivered within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised. The final report will be issued shortly.

13 DATA PROTECTION

13.1 Finally, when submitting details of your claim in the administration, you may disclose personal data to the Joint Administrators. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. The Joint Administrators act as Data Controllers in respect of personal data they obtain in relation to this administration and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Administrators' privacy notice, which is attached to this report at Appendix

PCJ SOLICITORS LIMITED – IN ADMINISTRATION

I, explains how they process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

If you wish to discuss the issues raised in this report or require any additional information, please contact this office.

Yours faithfully
for and on behalf of
PCJ SOLICITORS LIMITED



JULIEN IRVING
JOINT ADMINISTRATOR

Andrew Poxon and Julien Irving are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 8620 and 13092, respectively

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

SUMMARY OF JOINT ADMINISTRATORS' APPROVED PROPOSALS

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

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM
3 MAY 2018 TO 2 NOVEMBER 2018 AND CUMULATIVE TO 2 NOVEMBER 2018**

	Estimated to realise	Transactions previously reported	Transactions this period	Cumulative
	£	£	£	£
RECEIPTS				
Cash at Bank	11,163.20	23,708.04	-	23,708.04
Profit Costs/ Work in Progress	560,000.00	413,188.34	-	413,188.34
Tax Refund	170,000.00	170,000.00	-	170,000.00
Disbursements Recovered	-	17,818.32	-	17,818.32
Electricity Refund	-	532.14	-	532.14
Bank Interest	-	368.49	96.48	464.97
Disbursements to payout	-	129,687.48	-	129,687.48
Monies recovered in error	-	37,896.72	-	37,896.72
Office Furniture & Equipment	-	186.66	-	186.66
Cash from Till	-	2.32	-	2.32
TOTAL	741,163.20	793,388.51	96.48	793,484.99
PAYMENTS				
Pre - Appointment Fee		(13,831.00)	-	(13,831.00)
Pre-Appointment Solicitors Fees		(3,690.00)	-	(3,690.00)
Solicitors Disbursements		(50.00)	-	(50.00)
Auction Commission		(35.47)	-	(35.47)
Administrators' Remuneration		(176,169.00)	-	(176,169.00)
Agents' Fees and Expenses		(4,795.00)	-	(4,795.00)
Disbursements Paid		(115,411.28)	(7,191.80)	(122,603.08)
Solicitors' Fees and Expenses		(11,510.00)	-	(11,510.00)
Mail Redirection		(595.00)	-	(595.00)
Other Professional Fees		(826.80)	(4,000.00)	(4,826.80)
Monies recovered in error		(35,526.72)	-	(35,526.72)
Disbursements CAT 1		(4,862.23)	(3,509.78)	(8,372.01)
Disbursements CAT 2		(151.55)	-	(151.55)
Bank Interest and Charges		(276.30)	-	(276.30)
Preferential Creditors		(5,335.98)	-	(5,335.98)
Floating Charge Creditor		(322,737.30)	-	(322,737.30)
TOTAL		(695,803.63)	(14,701.58)	(710,505.21)
BALANCE IN HAND		97,584.88	(14,605.10)	82,979.78

**SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD
FROM 3 MAY 2018 TO 2 NOVEMBER 2018**

	Total		Average	
	Units	Cost £	Hourly Rate £	
Statutory & Review	41	1,084.00	264.39	
Receipts & Payments	319	8,315.00	260.66	
Insurance	5	130.00	260.00	
Assets	18	468.00	260.00	
Liabilities	558	14,735.00	264.07	
General Administration	17	494.50	290.88	
Planning & Strategy	3	78.00	260.00	
LEGAL SERV - Preparation	43	1,628.00	378.60	
LEGAL SERV - Letter Out	4	104.00	260.00	
LEGAL SERV - Tel Call	7	277.00	395.71	
LEGAL SERV - Email Out	13	549.00	422.31	
Total	1,028	27,862.50	271.04	

DESCRIPTION OF TIME SPENT BY CATEGORY**Statutory and Review**

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

- Case management reviews. These are carried out periodically throughout the life of the case. During the period of this report, a periodic case review and a closure review have been carried out and any action points identified have been followed up accordingly;
- Allocation of staff, management of staff, case resourcing and budgeting;
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9;
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice;
- Maintaining and updating internal case management system; and
- Completion of case closing procedures at the end of the case.

Receipts and Payments

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

- Management of case bank account to ensure compliance with relevant risk management procedures;
- Regular review of case bank account by senior member of staff to ensure that assets have been properly identified and prescribed part funds have been set aside;
- Updating the *Estimated Outcome Statement*;
- Completion of journals and reconciliation of disbursement position to ensure the correct allocation of disbursements;
- Preparation of periodic receipts and payments accounts for inclusion in statutory reports – this has included the Joint Administrators Progress Report dated 24 May 2018;
- Payments to the disbursement creditors from case settlement funds;
- Submitting the final VAT 100, de-registering the Company for VAT purposes, and submitting a VAT 426;
- Final Corporation Tax return to HM Revenue & Customs;
- Managing and defraying the final estate expenses.

Insurance, Bonding and Pensions

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect company assets (see insurance and bonding matters below), whilst requirements in respect of company pension schemes are there to protect the pension funds of Company employees. Whilst there is no direct financial benefit to Company creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of creditor.

- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice; and
- Confirming with the relevant party that the Company was no longer an employer for auto-enrolment purposes.

Assets

- Allocating funds received on the system, and reviewing any third parties costs which may be payable from funds received by the estate for disbursements;
- Reviewing monies received in error position; and

PCJ SOLICITORS LIMITED – IN ADMINISTRATION

- Maintaining, updating and finalising a detailed record of the disbursements received to date, and disbursements paid to date.

Liabilities

This category of time includes both statutory and non-statutory matters.

Statutory

- Preparation and submission of periodic progress reports to creditors – this has included the Joint Administrators' Progress Report dated 24 May 2018; and
- Issuing the relevant notices and letters to unsecured creditors of the Company. Time has also been spent reviewing and adjudicating creditor claims received in preparation for the dividend.

Non-statutory

- Dealing with enquiries from the Company's creditors – time has been spent dealing with enquiries from the Company's creditors by telephone, emails and letter.

General Administration

- Time has been spent sending general correspondence and maintaining the Joint Administrators records.

Planning & Strategy

- Time has been spent holding an internal meeting to discuss the case strategy.

Legal Services

- Time has been incurred by our in house legal team sending letters and emails and making telephone calls on matters pertinent to the Administration.

**SUMMARY OF JOINT ADMINISTRATORS' TOTAL TIME COSTS TO DATE
INCORPORATING A COMPARISON WITH THE JOINT ADMINISTRATORS' APPROVED FEE ESTIMATE**

	FEES ESTIMATE			INCURRED TO 2 NOVEMBER 2018			VARIANCE
	Total			Total			
	Units	Cost	Average hourly rate	Units	Cost	Average hourly rate	
	No	£	£	No	£	£	Cost
Statutory and Review	312	10,037.00	321.70	349.00	10,621.00	304.33	(584.00)
Receipts and Payments	180	5,168.00	287.11	708.00	18,235.50	257.56	(13,067.50)
Insurance, Bonding and Pensions	62	2,140.00	345.16	69.00	2,301.00	333.48	(161.00)
Assets	1,683	55,892.00	332.10	1,669.00	54,673.00	327.58	1,219.00
Liabilities	1,069	34,173.00	319.67	1,907.00	55,389.00	290.45	(21,216.00)
Landlords	5	160.00	320.00	5.00	160.00	320.00	0.00
Debtenture Holder	258	10,165.50	394.01	213.00	8,278.00	388.64	1,887.50
General Administration	1,679	32,395.00	192.94	1,684.00	32,336.00	192.02	59.00
Appointment	22	795.00	361.36	22.00	795.00	361.36	0.00
Planning & Strategy	162	6,506.50	401.64	132.00	5,099.50	386.33	1,407.00
Post Appointment Creditors Meeting	173	6,478.00	374.45	178.00	6,638.00	372.92	(160.00)
Investigations	68	2,780.00	408.82	68.00	2,780.00	408.82	0.00
Case Specific	64	1,590.00	248.44	64.00	1,590.00	248.44	0.00
LEGAL SERV – Preparation	1,897	76,152.00	401.43	1,850.00	74,323.00	401.75	1,829.00
LEGAL SERV – Attendance	354	15,854.00	447.85	352.00	15,764.00	447.84	90.00
LEGAL SERV – In Court	12	180.00	150.00	12.00	180.00	150.00	0.00
LEGAL SERV – Research	19	285.00	150.00	19.00	285.00	150.00	0.00
LEGAL SERV – Drafting Documents	103	3,078.00	298.83	30.00	483.00	161.00	2,595.00
LEGAL SERV – Travel	110	4,950.00	450.00	110.00	4,950.00	450.00	0.00
LEGAL SERV – Letter In	4	112.00	280.00	4.00	112.00	280.00	0.00
LEGAL SERV – Letter Out	59	1,809.00	306.61	66.00	2,024.00	306.67	(215.00)
LEGAL SERV – Telephone Call	111	4,326.00	389.73	132.00	5,233.00	396.44	(907.00)
LEGAL SERV – Email In	1	15.00	150.00	1.00	15.00	150.00	0.00
LEGAL SERV – Email Out	64	2,160.00	348.65	87.00	3,129.00	359.66	(969.00)
	8,471	277,201.00	327.24	9,731	305,394.00	313.84	(28,193.00)

**SUMMARY OF JOINT ADMINISTRATORS' EXPENSES
FROM 3 MAY 2018 TO 2 NOVEMBER 2018
INCORPORATING A COMPARISON OF THE JOINT ADMINISTRATORS'
STATEMENT OF LIKELY EXPENSES**

Standard Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
AML Checks (CAT 1)	Business Tax Centre	Electronic client verification	10 00	10 00	-	10.00	-
Bond Fee (CAT 1)	AUA Insolvency Risk Services	Insurance bond	260.00	312 00	-	312 00	-
Company Searches	-	Extraction of company information from Companies House	10 00	-	-	-	-
Document Hosting (CAT 1)	Pelstar Computing	Hosting of documents for creditors	100 00	112 00	14.00	112 00	-
Software Licence Fee (CAT 1)	Pelstar Computing	Case management system licence fee	87 00	87 00	-	87 00	-
Statutory Advertising (CAT 1)	Courts Advertising	Advertising	169 20	172 25	83.02	172 25	-
Storage Costs (CAT 1)	Auctus Limited	Storage of books and records	500 00	6,201 64	2,972.40	6,201 64	-
Post Redirection	Royal Mail	Redirection of post	-	595 00	-	595 00	-
Post Redirection (CAT 1)	Royal Mail	Redirection of post	320 00	320 00	-	320 00	-
		Total standard expenses	1,456.20	7,809.89	3,069.42	7,809.89	-

PCJ SOLICITORS LIMITED – IN ADMINISTRATION

Case Specific Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Agents' Fees & Disbursements	Cerberus Asset Management	Costs of collecting records, realising assets and arranging the return of third party assets	1,000.00	4,795.00	-	4,795.00	-
Accountancy Fees	-	Preparation of Statement of Affairs and Reconciliation of Directors' Loan Accounts	4,000	-	-	-	-
Legal Fees and Disbursements	Bermans	Costs of appointed solicitors/barristers	7,500.00	6,510.50	-	6,510.50	-
Legal Fees (Cat 1)	DWF LLP	Costs of appointed solicitors	-	500.00	-	500.00	-
Legal Fees	Kings Chambers	Costs of appointed barristers	-	5,000.00	-	5,000.00	-
Professional Fees	EK Employment Law Consultants	Employment law advice and claims processing	-	50.00	-	50.00	-
Professional Fees	MRN Solicitors	Cost draftsmen fees	-	36.80	-	36.80	-
Staff Mileage (CAT 2)	LC Staff	Category 2 disbursement requiring specific creditor / committee approval	250.00	151.55	-	151.55	-
Legal Fees (CAT 1)	Solicitor	Legal fees in respect of block transfer	-	87.12	-	87.12	-
Court Fee (CAT 1)	Manchester District Registry	Court fees in respect of block transfer	-	2.40	-	2.40	-
Postage Costs (CAT 1)	LC Legal	LC Legal postage costs	-	2.46	-	2.46	-
Staff Travel Costs (CAT 1)	LC Staff	Cost of train tickets	-	329.50	-	329.50	-
Court Fee (CAT 1)	HMCTS	Court fee in respect of injunction	-	150.00	-	150.00	-
Court Fee (CAT 1)	HMCTS	Court fee in respect of injunction	-	50.00	-	50.00	-
Staff Parking (CAT 1)	LC Staff	Parking Charges	-	35.64	-	35.64	-
		Total case specific expenses	12,750.00	17,700.97	-	17,700.97	-

Note:

In the Joint Administrators' Progress Report dated 24 May 2018, we stated that there were unpaid case specific expenses totalling £86.80. This was an error and these case specific expenses had been paid in full.

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

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

Staff Allocation and Charge Out Rates

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

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

With effect from 6 January 2014 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

6 Jan 2014 onwards	Standard	Complex
	£	£
Director	450	562
Senior Manager	410	512
Manager 1	365	456
Manager 2	320	400
Administrator 1	260	325
Administrator 2	230	287
Administrator 3	210	262
Administrator 4	150	187
Support	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, who may be used for non-contentious matters pertaining to the insolvency appointment.

Subcontractors

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

Professional Advisors

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

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

Expenses

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

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

Type	Description	Amount
AML checks	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per individual

PCJ SOLICITORS LIMITED – IN ADMINISTRATION

Bond / Bordereau fee	Insurance bond to protect the insolvent entity against and losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting	Hosting of documents for creditors/shareholders	<table> <tr> <th>Type</th><th>First 100</th><th>Every addtl 10</th></tr> <tr> <td>ADM</td><td>£14.00</td><td>£1.40</td></tr> <tr> <td>CVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>MVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CPL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CVA</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>BKY</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>IVA</td><td colspan="2">£10 p.a. or £25 for life of case</td></tr> </table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
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ADM	£14.00	£1.40																								
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CVA	£10.00	£1.00																								
BKY	£10.00	£1.00																								
IVA	£10 p.a. or £25 for life of case																									
Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £204.00 3-6 months £303.00 6-12 months £490.00																								
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case																								
Statutory advertising	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£83.02 plus VAT per advert Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges																								

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions.	Time costs plus disbursements plus VAT
Other disbursements	See disbursements section below	See disbursements section below

Disbursements

Included within both of the above categories of expenses are disbursements, being amounts paid firstly by Leonard Curtis on behalf of the insolvent entity and then recovered from the entity at a later stage. These are described as Category 1 and Category 2 disbursements.

- a) Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£81.25 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

APPENDIX G

ESTIMATED OUTCOME STATEMENT

	Secured	Preferential	Unsecured
	£'000	£'000	£'000
Amount available to class of creditor	329	421	71
Amount due to creditor per Estimated Financial Position	(730)	(5)	(1,968)
Estimated dividend rate (as a %)	45%	100%	3.6%

PRIVACY NOTICE

Information we collect and hold about you

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

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

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

Legal justification for processing your Personal Data

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

How we use your information

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

Who we share your information with

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

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

How long will we hold your Personal Data for?

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

Your rights in respect of your Personal Data

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

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

Your right to complain

PCJ SOLICITORS LIMITED – IN ADMINISTRATION

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

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

Contacting us

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, Level 5, The Grove, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: privacy@leonardcurtis.co.uk.

Data Controller: LEONARD CURTIS