

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 7 6 4 9 1 7 3

Company name in full 174 Law Solicitors Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Lisa

Surname Ion

3 Liquidator's address

Building name/number Leonard Curtis

Street 3rd Floor

Exchange Station

Post town Tithebarn Street

County/Region Liverpool

Postcode L 2 2 Q P

Country

4 Liquidator's name ①

Full forename(s) Mark

Surname Colman

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Leonard Curtis

Street 3rd Floor

Exchange Station

Post town Tithebarn Street

County/Region Liverpool

Postcode L 2 2 Q P

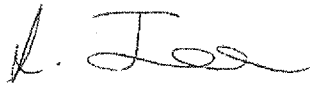
Country

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

LIQ03

Notice of progress report in voluntary winding up

**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	Anthony Bailey
Company name	Leonard Curtis
Address	3rd Floor
	Exchange Station
	Tithebarn Street
Post town	Liverpool
County/Region	
Postcode	L 2 2 Q P
Country	
DX	
Telephone	0151 556 2790

**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

**174 Law Solicitors Limited
(In Creditors' Voluntary Liquidation)**

Company Number: 07649173

Current Registered Office: 3rd Floor Exchange Station Tithebarn Street Liverpool L2 2QP

Former Registered Office & Trading Address: 68 Whetstone Lane, Birkenhead, Merseyside, CH41 2TF

**Joint Liquidators' First Progress Report
pursuant to Section 104A(1) of the Insolvency Act 1986 (as amended)
and Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

For the period: 9 June 2022 to 8 June 2023

Date of Report: 2 August 2023

Lisa Ion and Mark Colman - Joint Liquidators
Leonard Curtis
3rd Floor, Exchange Station, Tithebarn Street
Liverpool L2 2QP
Tel: 0151 556 2790 Fax: 0151 556 2791
recovery@leonardcurtis.co.uk
Ref: I/48/ANB/O293E/1010

CONTENTS

- 1 Introduction
- 2 Conduct of the Liquidation
- 3 Receipts and Payments Account
- 4 Outcome for Creditors
- 5 Investigations
- 6 Joint Liquidators' Remuneration, Expenses and Creditors' Rights
- 7 Matters Still to be Dealt With
- 8 Other Matters

APPENDICES

- A Summary of Joint Liquidators' Receipts and Payments from 9 June 2022 to 8 June 2023.
- B Summary of Joint Liquidators' Time Costs from 9 June 2022 to 8 June 2023.
- C Summary of Joint Liquidators' Time Costs for the Period from 9 June 2022 to 8 June 2023 Incorporating a Comparison of the Joint Liquidators' Fees Estimate
- D Summary of Joint Liquidators' Expenses from 9 June 2022 to 8 June 2023 Incorporating a Comparison of the of Joint Liquidators' Statement of Likely Expenses
- E Leonard Curtis Policy Regarding Fees and Expenses
- F Proof of Debt Form
- G Privacy Notice

TO ALL MEMBERS, CREDITORS AND THE REGISTRAR OF COMPANIES

1 INTRODUCTION

- 1.1 Lisa Ion and Mark Colman were appointed Joint Liquidators of 174 Law Solicitors Limited (“the Company”) on 9 June 2022.
- 1.2 Lisa Ion and Mark Colman are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales.
- 1.3 There has been no change in office holder since the date of Liquidation.
- 1.4 This report provides an update on the conduct of the Liquidation for the period from 9 June 2022 to 8 June 2023, as required by Section 104A(1) of the Insolvency Act 1986 (as amended) (“the Act”) and Rule 18.3 of the Insolvency (England and Wales) Rules 2016 (“the Rules”). It contains details of the progress made, the expected outcome for creditors and other information that the Joint Liquidators are required to disclose and should be read in conjunction with the directors Statement of Affairs and the Joint Liquidators’ Report on the Creditors’ Decision Process and request for the approval for the basis of the Joint Liquidators remuneration, payment of category 2 disbursements and payments to associates dated 5 July 2022.
- 1.5 Unless otherwise stated, all figures are stated net of VAT.

2 CONDUCT OF THE LIQUIDATION

- 2.1 The Company’s registered office was changed to the offices of the Joint Liquidators at 6th Floor Walker House Exchange Flags Liverpool L2 3YL on 14 June 2022. The Joint Liquidators have subsequently moved offices in the period and the registered office was changed to 3rd Floor Exchange Station Tithebarn Street Liverpool L2 2QP on 13 February 2023.
- 2.2 Works performed within the period are detailed in Appendix B of this Report.

Assets Realised

2.3 Overdrawn Directors Loan Account (‘ODLA’)

As per the directors’ Statement of Affairs, and the information provided by the Company’s accountant for the period ended 31 December 2020, the date of cessation, there was an Overdrawn Directors Loan Account balance of £8,842.85.

The Directors advised that there had been no movements to the ODLA after the above period ended. The bank analysis has been prepared and additional withdrawals have not been identified after cessation.

The directors have repaid the sum of £8,842.85 in full in the period.

Cash at Bank

The directors advised that the Company’s business current account at the time of preparing the Statement of Affairs held a credit balance of £158. The sum of £112.33 has been received from the bank in the period. It is understood that the difference is due to final charges from the Company’s account.

Cash in Hand of Accountant

As per the Statement of Affairs, the Company’s accountant was holding Company funds in the sum of £4,604.41, resulting from a refund of terminal loss relief, see below for further details, that would be forwarded to any subsequently appointed Liquidator. The funds have been received in full in the period.

Cash in Hand of Third Party

As per the Statement of Affairs, the sum of £2,114.64 was being held by a separate company the directors were associated with. The funds held related to a payment due to the Company from a client. The funds were paid into the Liquidation account in full.

Bank Interest

Bank interest of £1.85 has accrued in the period.

2.4 Assets Still to be Realised

VAT Refund

It is understood through discussions with the directors that the Company was subject to a negligence claim. The claim was heard in court and was dismissed. The court ruled in favour of the Company. It is understood that the Court made an order for costs (provisional) in favour of the Company for the sum of £500,000 plus VAT. If the VAT is reclaimable, it is assumed that the costs would be payable to the Company's insurer, depending on the tax point of any invoice raised, and will not be a recoverable asset for the estate, however, following the Courts decision it is understood that the claimant has appealed. Due to the appeal, which is ongoing, the Company had not submitted any VAT returns or obtained any advice on the position until the appeal had been heard/final decision made by the Court.

Until the final invoices are received, the quantum of any potential refund due has yet to be established and further VAT specialist advice maybe required.

Creditors will be advised on any realisations for this asset in due course.

Terminal Loss Relief Claim

The Company's accountant has advised that the Company is due a Terminal Loss Relief ('TLR') refund of circa £15,604. It is understood that a part-refund of £4,604 was received and were the funds held by the accountant that have subsequently been refunded to the Joint Liquidators in the period.

It not yet known whether any further realisations will be achieved from HM Revenue & Customs ("HMRC"), who will offset any other liabilities due before considering any further refund. It is known that there is a small balance of £371 due to HMRC, see section 4.4 to 4.6 below.

The Joint Liquidators will continue to pursue this matter in the forthcoming period and Creditors will be advised on any realisations for this asset in due course.

- 2.5 Aside from the assets detailed above, all other assets as per the Statement of Affairs have been dealt with and no further assets, subject to the outcome of the investigations detailed in section 5.2, have come to light during the course of the Liquidation.

3 RECEIPTS AND PAYMENTS ACCOUNT

- 3.1 A summary of the Joint Liquidators' receipts and payments for the period from 9 June 2022 to 8 June 2023 is attached at Appendix A.

4 OUTCOME FOR CREDITORS

Secured Creditors

- 4.1 There are no known secured creditors.

Preferential Creditors

- 4.2 As at the date of Liquidation, no preferential claims were anticipated.
- 4.3 No claims have been received.

Secondary Preferential Creditors

- 4.4 With respect to insolvencies commencing on or after 1 December 2020, HMRC rank ahead of floating charge holders and unsecured creditors in respect of certain unpaid taxes that the relevant company collects on behalf of HMRC. These taxes are known as Priority Taxes and include:
- VAT;
 - PAYE (including student loan repayments);
 - Construction Industry Scheme deductions; and
 - Employees' NI contributions.
- 4.5 As at the date of liquidation, HMRC had a secondary preferential claim, estimated at £371.
- 4.6 No secondary preferential claims have been received from HMRC in the period. Should HMRC confirm that their secondary preferential liability is £371, it is anticipated that HMRC will off set the balance due against any terminal loss claim.

Prescribed Part

- 4.7 As the Company has no unsatisfied floating charges created on or after 15 September 2003, there will be no requirement to set aside a prescribed part in this case.

Ordinary Unsecured Creditors

- 4.8 As at the date of Liquidation, the unsecured creditors were estimated at £74,711.
- 4.9 The funds realised have already been distributed or used or allocated for paying the expenses of the Liquidation. As a result, there will be no dividend to the ordinary unsecured creditors.
- 4.10 The Joint Liquidators have collated and acknowledged (where requested) the claims of the ordinary unsecured creditors, although, in view of the fact that there will be no distribution to this class of creditor, unsecured claims have not been formally agreed.

5 INVESTIGATIONS

- 5.1 Following their appointment, the Joint Liquidators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.
- 5.2 An analysis of the Company's bank account has been completed in the period. Several transactions were identified that require further explanation from the directors. Details of the transactions have been provided to the directors and our enquiries into this matter are ongoing. At this stage, there is no evidence to suggest that the transaction are not transactions made in the ordinary course of business. The Joint Liquidators will continue to liaise with the directors in the forthcoming period.
- 5.3 Notwithstanding the above, the Joint Liquidators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

6 JOINT LIQUIDATORS' REMUNERATION, EXPENSES AND CREDITORS' RIGHTS

Remuneration

- 6.1 A fee of £6,500 plus VAT in respect of the preparation of the statement of affairs was approved by creditors on 9 June 2022. £6,500 plus VAT has been drawn in the period which includes the sum of £950 plus VAT paid to Lerman Quaille for their assistance in preparing the Statement of Affairs.
- 6.2 On 26 July 2022, creditors resolved by way of business by correspondence that the Joint Liquidators' remuneration be payable by reference to time properly given by them and their staff in attending to matters arising in the Liquidation as set out in the fees estimate dated 5 July 2022 (for an amount totalling £23,937.50). The Joint Liquidators' time costs from 9 June 2022 to 8 June 2023 are £23,743.00, which represents 64.6 hours at an average hourly rate of £367.54. Attached at Appendix B is a time analysis which provides details of the activity costs incurred by staff grade during the period from 9 June 2022 to 8 June 2023, together with 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.
- 6.3 At Appendix C is a comparison of categorised time costs incurred and the estimated time costs as per the original fees estimate. The areas where significant variance has occurred are in respect of the following categories:

Insurance, Bonding & Pensions

The Joint Liquidators have been contacted by several parties in the period in respect of pre-appointment negligence claims against the Company that the Joint Liquidators were not aware of. A significant amount of time has been spent in liaising with all parties concerned with each claim.

General Administration

More time has been incurred than anticipated in dealing with general correspondence and case planning matters.

- 6.4 Fees totalling £6,100 plus VAT have been drawn in the period.

Expenses

- 6.5 A comparison of the Joint Liquidators' expenses from 9 June 2022 to 8 June 2023 and the Joint Liquidators' statement of likely expenses is attached at Appendix D. To assist creditors' understanding of this information, it has been separated into the following two categories:
- *Standard Expenses*: this category includes expenses payable by virtue of the nature of the liquidation process and / or payable in order to comply with legal or regulatory requirements.
 - *Case Specific Expenses*: this category includes expenses likely to be payable by the Joint Liquidators in carrying out their duties in dealing with issues arising in this particular Liquidation. Included within this category are costs that are directly referable to the Liquidation but are not paid to an independent third party (and which may include an element of allocated costs). These are known as 'category 2 expenses' and they may not be drawn without creditor approval.

With effect from 1 April 2021, the Joint Liquidators are also required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to associates of Leonard Curtis. Payments to associates are subject to the same level of approval as the office holder's fees and category 2 expenses. Further details are included at Appendix D and E.

- 6.6 On 26 July 2022, creditors resolved that the Joint Liquidators be authorised to discharge category 2 expenses and payments to associates.

- 6.7 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 with the exception of postage fees. The fee estimate did not account for any postage fees incurred in the Liquidation.
- 6.8 Attached at Appendix E is additional information in relation to the firm's policy on staffing, the use of subcontractors, expenses and details of current charge-out rates by staff grade. Please be aware that the firm's charge out rates have been amended with effect from 1 March 2021.
- 6.9 As creditors will be aware, prior to the Liquidation, the Company's accountants were requested to assist with the preparation of the Statement of Affairs and creditors have subsequently approved their fees. As the payment has been made during the course of the Liquidation, the following disclosure is again being provided:

Name of Party	PA / S	Service Provided	Basis of Fees
Lerman Quaile	PA	Assistance with preparation of statement of affairs	Fixed fee, Approved by creditors.

Lerman Quaile, who are the Company's accountants and have access to the Company's financial information were instructed to assist with providing the information required to assist with preparing the Statement of Affairs. A fixed fee of £950 plus VAT was agreed and approved by creditors. There was certain financial information that was only available to the accountants and therefore their services were required to complete the Statement of Affairs. In addition, as the accountants were familiar with the Company records, they are able to extract the required information in a more timely and efficient manner.

The above fees are considered fair and reasonable in light of the services provided.

No subcontractors or professional advisors have been instructed in the period.

Creditors' Rights

- 6.10 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 five per cent in value of the unsecured creditors (including the creditor in question), or with the permission of the court, may request in writing that the Joint Liquidators provide further information about their remuneration or expenses, which have been itemised in this report.
- 6.11 Under Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10 per cent in value of the unsecured creditors (including that creditor) or the permission of the court, may within eight weeks of receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question, make an application to court on the grounds that, in all the circumstances, the basis fixed for the Joint Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in the progress report, are excessive.
- 6.12 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 Liquidation.

7 MATTERS STILL TO BE DEALT WITH

- 7.1 Matters still to be dealt with before conclusion of the Liquidation include the following:
- The realisation of the remaining assets, as detailed in section 2;
 - Continue to liaise with the directors in respect of the investigation matters identified as detail in section 5;
 - Continue to liaise with the pension trustee to establish whether there are any outstanding pre-Liquidation pension contributions. The Directors have advised that the payments were up to date but clarification is being pursued from the pension trustee. If it is identified that there are outstanding contributions, the required RP15 & RP15A forms will be prepared and issued to the Redundancy Payments Office for processing.

- The unpaid remuneration and expenses will need to be paid.
- Once all matter above have concluded, and there is no objection from the Insurers to close our files, the Joint Liquidators will review their files with the intention of concluding the Liquidation and issuing a final report to creditors.

8 OTHER MATTERS

- 8.1 For your information, Liquidation: A Guide for Creditors on Insolvency Practitioner Fees, version 1 April 2021, which sets out the rights of creditors and other interested parties under the insolvency legislation, may be accessed via the following link:

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

- 8.2 If you would prefer this to be sent to you in hard copy form, please contact Anthony Bailey of this office on 0151 556 2790.

- 8.3 Creditors are also encouraged to visit the following website, which provides a step by step guide designed to help creditors navigate through an insolvency process:

<http://www.creditorinsolvencyguide.co.uk>

- 8.4 The Joint Liquidators are bound by the Insolvency Code of Ethics, which can be found at:

<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

Data Protection

- 8.5 When submitting details of your claim in the liquidation, you may disclose personal data to the Joint Liquidators. 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 Liquidators act as Data Controllers in respect of personal data they obtain in relation to this liquidation and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Liquidators' privacy notice, which is attached to this report at Appendix G, 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.

Yours faithfully



LISA ION
JOINT LIQUIDATOR

Lisa Ion and Mark Colman are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 21912 and 9721, respectively

APPENDIX A

SUMMARY OF JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS FROM 9 JUNE 2022 TO 8 JUNE 2023

	Estimated to realise £	This period £
RECEIPTS		
Overdrawn Directors Loan Account	Uncertain	8,842.85
Cash at Bank	Uncertain	112.33
Cash in Hand - Accountant	4,604.41	4,604.41
Cash in Hand – Third Party	2,114.64	2,114.64
Bank Interest	-	1.85
	<u>6,719.05</u>	<u>15,676.08</u>
PAYMENTS		
Liquidators' remuneration		6,100.00
Disbursements – Category 1:		
Postage Fees		42.94
Bordereau Fees		30.00
Statutory Advertising		191.70
Disbursements – Category 2:		
Web Hosting Fees		14.00
Software Licence Fee		87.00
Statement of Affairs Fee		6,500.00
		<u>12,965.64</u>
BALANCE IN HAND		2,710.44
Represented by:		
RBS – CAM Client Account		2,710.44
		<u><u>2,710.44</u></u>

SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FROM 9 JUNE 2022 TO 8 JUNE 2023

	Director		Senior Manager		Manager 1		Administrator 1		Administrator 2		Administrator 3		Administrator 4		Total		Average	
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Hourly Rate £	
Statutory and Review	5	275.00	3	139.50	6	249.00	37	1,091.50	12	318.00	-	-	-	-	63	2,073.00	329.05	
Receipts and Payments	10	550.00	-	-	5	207.50	-	-	26	689.00	-	-	-	-	41	1,446.50	352.80	
Insurance	43	2,365.00	-	-	36	1,494.00	91	2,884.50	-	-	4	98.00	-	-	174	6,641.50	381.70	
Assets	3	165.00	-	-	21	871.50	2	59.00	-	-	-	-	-	-	26	1,095.50	421.35	
Liabilities	14	770.00	-	-	-	-	-	-	-	-	-	-	-	-	14	770.00	550.00	
General Administration	26	1,430.00	-	-	10	415.00	14	413.00	-	-	-	-	-	-	50	2,258.00	451.60	
Appointment	-	-	-	-	35	1,452.50	-	-	-	-	38	931.00	-	-	73	2,383.50	326.51	
Post Appt Creditor Decisions	5	275.00	-	-	32	1,328.00	3	88.50	-	-	30	735.00	2	35.00	72	2,461.50	341.88	
Investigations	40	2,200.00	-	-	29	1,203.50	4	118.00	-	-	6	147.00	54	945.00	133	4,613.50	346.88	
Total	146	8,030.00	3	139.50	174	7,221.00	151	4,454.50	38	1,007.00	78	1,911.00	56	980.00	646	23,743.00		
Average Hourly Rate (£)		550.00		465.00		415.00		295.00		265.00		245.00		175.00		367.54		
All Units are 6 minutes																		

APPENDIX B (cont)

DETAILED NARRATIVE OF WORK PERFORMED BY THE JOINT LIQUIDATORS AND THEIR STAFF IN THE PERIOD 9 JUNE 2022 TO 8 JUNE 2023

Statutory and Review

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

- Case-management reviews. These will be carried out periodically throughout the life of the case. A month one review is undertaken by the firm's compliance team to ensure that all statutory and best practice matters have been dealt with appropriately. As the case progresses, further six monthly reviews are undertaken to ensure that the case is progressing as planned.
- Allocation of staff, management of staff, case resourcing and budgeting.
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9.
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice.

The time incurred in the period relates to completion of statutory reviews of the Joint Liquidators case files, review fee approval documents and reviewing time entries to ensure their accuracy.

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(s) to ensure compliance with relevant risk management procedures.
- Regular review of the accounts by senior member of staff to ensure that all assets have been properly identified.
- Timely completion of all post-appointment tax and VAT returns.
- Managing estate expenses.

The time incurred in the period includes managing estate expenses, including the Joint Liquidators remuneration, and preparing & processing VAT returns to HMRC.

Insurance, Bonding and Pensions

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

- Periodic review of insurance requirements over physical assets, to minimise costs to the estate.
- Liaising with various parties in respect of pre-appointment insurance claims
- 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.
- Conducting online checks to identify whether the Company operated a registered pension scheme.
- Review of financial records to identify whether any payments were made by the Company into a pension scheme.

The time incurred in the period relates preparing and issuing the required notices to The Pension Regulator, the Pension Protection Fund and Creative Trust in respect of s120 and S22 of the Pensions Act 2004. Time has also been incurred completing periodic bonding review and a significant amount of time has been incurred in dealing with several pre-appointment negligence claims.

Assets

The work set out in this category may bring a financial benefit for creditors. This may result in a distribution to the secondary preferential and / or unsecured creditors.

- Agreeing strategy for realisation of Company assets. The assets of the Company consist of an overdrawn directors' loan accounts, cash at bank, a potential VAT refund, a potential terminal loss relief claim, cash held by the Company's accountant and cash held by a third party.

Overdrawn Directors Loan Account ('ODLA')

As per the directors' Statement of Affairs, and the information provided by the Company's accountant for the period ended 31 December 2020, the date of cessation, there was an Overdrawn Directors Loan Account balance of £8,842.85.

The Directors advised that there had been no movements to the ODLA after the above period ended. The bank analysis has been prepared and additional withdrawals have not been identified after cessation.

The directors have repaid the sum of £8,842.85 in full in the period.

Cash at Bank

The directors advised that the Company's business current account at the time of preparing the Statement of Affairs held a credit balance of £158. The sum of £112.33 has been received from the bank in the period. It is understood that the difference is due to final charges from the Company's account.

Cash in Hand of Accountant

As per the Statement of Affairs, the Company's accountant was holding Company funds in the sum of £4,604.41, resulting from a refund of terminal loss relief, see below for further details, that would be forwarded to any subsequently appointed Liquidator. The funds have been received in full in the period.

Cash in Hand of Third Party

As per the Statement of Affairs, the sum of £2,114.64 was being held by a separate company the directors were associated with. The funds held related to a payment due to the Company from a client. The funds were paid into the Liquidation account in full.

Bank Interest

Bank interest of £1.85 has accrued in the period.

VAT Refund

It is understood through discussions with the directors that the Company was subject to a negligence claim. The claim was heard in court and was dismissed. The court ruled in favour of the Company. It is understood that the Court made an order for costs (provisional) in favour of the Company for the sum of £500,000 plus VAT. If the VAT is reclaimable, it is assumed that the costs would be payable to the Company's insurer, depending on the tax point of any invoice raised, and will not be a recoverable asset for the estate, however, following the Courts decision it is understood that

the claimant has appealed. Due to the appeal, which is ongoing, the Company had not submitted any VAT returns or obtained any advice on the position until the appeal had been heard/final decision made by the Court.

Until the final invoices are received, the quantum of any potential refund due has yet to be established and further VAT specialist advice maybe required.

Creditors will be advised on any realisations for this asset in due course.

Terminal Loss Relief Claim

The Company's accountant has advised that the Company is due a Terminal Loss Relief ('TLR') refund of circa £15,604. It is understood that a part-refund of £4,604 was received and were the funds held by the accountant that have subsequently been refunded to the Joint Liquidators in the period.

It not yet known whether any further realisations will be achieved from HM Revenue & Customs ("HMRC"), who will offset any other liabilities due before considering any further refund. It is known that there is a small balance of £371 due to HMRC, see section 4.4 to 4.6 above.

The Joint Liquidators will continue to pursue this matter in the forthcoming period and Creditors will be advised on any realisations for this asset in due course.

- Liaising with Company's bankers re pre-appointment bank accounts.

The time incurred in the period relates to pursuing all assets as detailed above and liaising with the Company's bank in respect.

Liabilities

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

Statutory

- Processing of claims from the Company's creditors – All claims received from the Company's unsecured creditors will be logged. In this instance, it is not anticipated that there will be sufficient funds available to enable a distribution to be made to the unsecured creditors of the Company and therefore claims are not being formally agreed at this stage.

Non statutory

- Dealing with enquiries from the Company's creditors – This will include dealing with creditors general queries by post, telephone and email. Time will also be incurred providing updates to the secured creditors on the progress of the liquidation.

The time incurred in the period relates to dealing with general creditor queries and acknowledging receipt of creditor claims received.

General Administration

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

- General planning matters.
- Setting up and maintaining the liquidators' records.
- Dealing with general correspondence and communicating with directors and shareholders.

The time incurred in the period relates to dealing with general correspondence, setting up and maintaining the Joint Liquidators case files and dealing with general planning matters.

Appointment

There are certain tasks which the Joint Liquidators have a statutory obligation to undertake during the liquidation process. Other tasks are completed in order to ensure the liquidation is progressed to the benefit of all creditors and stakeholders. Actions completed to date are:

- Statutory notifications to creditors and other interested parties following the Joint Liquidators' appointment;
- Preparation of case plan; and
- Formulation of case strategy, including recording of any strategic decisions.
- Review of directors' statement of affairs and filing of document at Companies House in accordance with statutory requirements; and
- Opening of case bank accounts.
- Calculation and request of joint liquidators' bond in accordance with the Insolvency Practitioners' Regulations 2005. A Bond is a legal requirement on all insolvency appointments and is essentially an insurance policy to protect creditors against the fraud or dishonesty of the Insolvency Practitioner. The bond is calculated by reference to the value of assets which are estimated before costs to be available to unsecured creditors.

All appointment notices have been filed at Companies House, the statutory appointment notices have been advertised in the London Gazette. The request to open the Liquidation bank account has also been submitted.

The Joint Liquidators bond has also been calculated and requested.

Post-Appointment Creditors' Decisions

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

- Preparation of fees estimate and statement of expenses in accordance with Insolvency (Amendment) Rules 2015.
- Convening a decision of the creditors to agree fees estimate with appropriate body of creditors.
- Reporting on outcome of voting.

The time incurred in the period relates to preparing the Joint Liquidators fee estimate and statement of expenses, issuing to all creditors and reporting on the outcome of voting.

Investigations

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

- Collecting and reviewing the Company's records.
- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations and enable the submission of returns due under the Company Directors Disqualification Act 1986.
- The team is required under the Company Directors Disqualification Act 1986 to review the Company's records and consider information provided by creditors on the conduct of the all directors involved with the Company during the three years leading up to the insolvency. This will result in the preparation and submission of statutory returns or reports on all directors to the Insolvency Service. Evidence of unfit conduct can result in directors being disqualified for periods of up to 15 years. The statutory conduct report was submitted in August 2022.

APPENDIX B (cont)

The time incurred in the period relates to completing the statutory investigations into the affairs of the Company and its directors, preparing and issuing the statutory conduct report to the Insolvency Service and liaising with the directors in respect of transaction identified in the bank analysis that require further investigation, as detailed in section 5.

APPENDIX C

SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FOR THE PERIOD FROM 9 JUNE 2022 TO 8 JUNE 2023 INCORPORATING A COMPARISON OF THE JOINT LIQUIDATORS' FEES ESTIMATE

	FEES ESTIMATE			INCURRED TO 8 JUNE 2023			VARIANCE
	Total			Total			
	Units	Cost	Average hourly rate	Units	Cost	Average hourly rate	Cost
	No	£	£	No	£	£	£
Statutory and review	110	4,370.00	397.27	63	2,073.00	329.05	2,297.00
Receipts and payments	70	2,110.00	301.43	41	1,446.50	352.80	663.50
Insurance, bonding and pensions	40	1,660.00	415.00	174	6,641.50	381.70	(4,981.50)
Assets	30	1,245.00	415.00	26	1,095.50	421.35	149.50
Liabilities	110	3,980.00	361.82	14	770.00	550.00	3,210.00
General Administration	20	830.00	415.00	50	2,258.00	451.60	(1,428.00)
Appointment	73	2,117.50	290.07	73	2,383.50	326.51	(266.00)
Post-Appointment Creditor Decision	80	2,735.00	341.88	72	2,461.50	341.88	273.50
Investigations	170	4,890.00	287.65	133	4,613.50	346.88	276.50
	703	23,937.50	343.25	646	23,743.00	367.54	194.50

APPENDIX D

SUMMARY OF JOINT LIQUIDATORS' EXPENSES FROM 9 JUNE 2022 TO 8 JUNE 2023 INCORPORATING A COMPARISON OF THE OF JOINT LIQUIDATORS' 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 £
Bond Fee	AUA Insolvency Risk Services	Insurance bond	70.00	30.00	30.00	30.00	-
Document Hosting	Pelstar	Hosting of documents for creditors *	28.00	14.00	14.00	14.00	-
Software Licence Fee	Pelstar	Case management system licence fee *	87.00	87.00	87.00	87.00	-
Statutory Advertising	Courts Advertising	Advertising	191.70	191.70	191.70	191.70	-
Storage Costs	Auctus	Storage of books and records	30.00	-	-	-	-
Postage Fees	Postworks	Postage Fees	-	42.94	42.94	42.94	-
		Total standard expenses	406.70	365.64	365.64	365.64	-

*Payment to Associate requiring specific creditor / committee approval if incurred and / or drawn between 1 April 2021 and 31 December 2022

Case Specific Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Professional Fees	Lerman Quaile	Assistance with Statement of Affairs	950.00	950.00	950.00	950.00	-
		Total case specific expenses	950.00	950.00	950.00	950.00	-

LEONARD CURTIS POLICY REGARDING FEES AND EXPENSES

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

Staff Allocation and Charge Out Rates

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

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

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

	6 Jan 2014 onwards		1 Aug 2019 onwards		1 March 2021 onwards	
	Standard	Complex	Standard	Complex	Standard	Complex
	£	£	£	£	£	£
Director	450	562	525	656	550	688
Senior Manager	410	512	445	556	465	581
Manager 1	365	456	395	494	415	518
Manager 2	320	400	345	431	365	456
Administrator 1	260	325	280	350	295	369
Administrator 2	230	287	250	313	265	331
Administrator 3	210	262	230	288	245	306
Administrator 4	150	187	165	206	175	219
Support	0	0	0	0	0	0

In respect of assignments pre-dating 1 March 2022, office holders' remuneration may include costs incurred by the firm's in-house legal team, which may be used for non-contentious matters pertaining to the insolvency appointment.

Use of Associates

We are required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to Associates of Leonard Curtis (LC). The term "Associate" is defined in s435 of the Insolvency Act 1986, but we are also required to consider the substance or likely perception of any association between the appointed insolvency practitioner, their firm (LC) or an individual within the firm and the recipient of a payment. Payments to Associates are subject to the same level of approval as the office holder's fees and category 2 expenses (see table on the next page for further details).

Leonard Curtis Legal Limited (LC Legal) are part of the Leonard Curtis group; as such they are an "Associate" of LC. Where LC Legal are instructed to assist an office-holder in a particular matter from 1 March 2022 onwards, details of their proposed costs will be provided to creditors and specific approval for payment will be sought.

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

Use of Professional Advisors

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

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

Use of Subcontractors

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

Categorisation of Expenses

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

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

Type	Description	Amount																								
AML checks via Smartsearch	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per search Note that with effect from 1 April 2021, these costs are no longer recovered from the estate.																								
Bond / Bordereau fee via AUA Insolvency Services	Insurance bond to protect the insolvent entity against any losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches via Companies House	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting via Pelstar Limited	Hosting of documents via a secure portal for access by creditors/shareholders. Costs are charged per upload plus VAT and are generally dependent upon the number of creditors. The costs are commensurate with those charged by other providers of comparable services.	<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	
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																									
Software Licence fee hosting via Pelstar Limited	Payable to software provider for use of case management system. The costs are commensurate with those charged by other providers of comparable services.	£87.00 plus VAT per case																								
Postage via Royal Mail or Postworks	Cost of posting documents which are directly attributable to a case to external recipients	Calculated in accordance with applicable supplier rates and dependent on the number of pages and whether the document is sent by international, first or second class post.																								
Post re-direction via Royal Mail	Redirection of post from Company's premises to office-holders' address	0-3 months £216.00 3-6 months £321.00 6-12 months £519.00																								
Statutory advertising via advertising agents	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£91.80 - £102.00 plus VAT per advert Dependent upon advert and publication																								

174 Law Solicitors Limited – In Creditors' Voluntary Liquidation

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 but may not be restricted to:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions. Where the solicitor appointed is LC Legal, any fee payable for work completed is classed as a payment to an associate and requires specific creditor / committee approval as detailed above.	Time costs plus disbursements plus VAT
Other expenses	See Category 1 and 2 expenses notes below	See Category 1 and 2 expenses notes below

Please note that expenses are generally categorised as Category 1 or Category 2:

- a) **Category 1 expenses:** These are payments to independent third parties providing the service to which the expense relate. These may include, for example, advertising, external room hire, storage costs, postage costs, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 expenses may be paid without prior approval.
- b) **Category 2 expenses:** These are costs that are directly referable to the appointment in question, but not paid to an independent third party. They may include costs which have an element of shared cost. The following items of expenditure are recharged on this basis and are charged at HMRC approved rates:

Business mileage 45p per mile

Payments to Associates (as defined above) are categorised by LC in the same way as Category 2 expenses. Category 2 expenses and payments to Associates may only be drawn if they have been approved in the same manner as an office holder's remuneration.

Insolvency (England and Wales) Rules 2016
Rule 14.4

Proof of Debt – General Form

CREDITORS' VOLUNTARY LIQUIDATION

RELEVANT DATE FOR CLAIMS: 9 JUNE 2022

Please e-mail completed form to:

recovery@leonardcurtis.co.uk quoting ref: O293E/ANB/PROOF

Name of Company in Liquidation:

174 LAW SOLICITORS LIMITED

Company registration number:

[Liquidation only]

07649173

1 Name of creditor

(If a company, provide the company registration number).

2 Correspondence address of creditor (including any email address)

3 Total amount of claim (£)

(include any Value Added Tax)

4 If amount in 3 above includes (£)

outstanding uncapitalised interest, state amount.

5 Details of how and when the debt was incurred.

(If you need more space, attach a continuation sheet to this form)

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

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

8 Details of any document by reference to which the debt can be substantiated

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

10 Date of signature

11 Address of person signing if different from 2 above

12 Name in BLOCK LETTERS:

13 Position with, or relation to, creditor

Admitted to vote for

Amount (£)

Date

Admitted for dividend for

Amount (£)

Date

Liquidator

Liquidator

Notes:

1. There is no need to attach them now but the office holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.

2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

3. Please e-mail completed form to:

recovery@leonardcurtis.co.uk quoting ref: O293E/ANB/PROOF

**LEONARD CURTIS
PRIVACY NOTICE FOR CREDITORS**

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

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, 5th Floor, Grove House, 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