



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

1 Company details

Company number 0 8 7 4 1 5 3 8

Company name in full Investment Holdco 123 Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Mark

Surname Colman

3 Administrator's address

Building name/number Leonard Curtis

Street 20 Roundhouse Court

South Rings Business Park

Post town Bamber Bridge

County/Region Preston

Postcode P R 5 6 D A

Country

4 Administrator's name ①

Full forename(s) Megan

Surname Singleton

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Leonard Curtis

Street 20 Roundhouse Court

South Rings Business Park

Post town Bamber Bridge

County/Region Preston

Postcode P R 5 6 D A

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 1 ^d 9	^m 1 ^m 2	^y 2 ^y 0	^y 2 ^y 0
To date	^d 1 ^d 8	^m 0 ^m 6	^y 2 ^y 0	^y 2 ^y 1

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	^d 1 ^d 3	^m 0 ^m 7	^y 2 ^y 0	^y 2 ^y 1
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**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	Azimunnisa Raj
Company name	Leonard Curtis
Address	20 Roundhouse Court
	South Rings Business Park
	Bamber Bridge
Post town	Preston
County/Region	
Postcode	P R 5 6 D A
Country	
DX	
Telephone	01772 646180

**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

INVESTMENT HOLDCO 123 LIMITED
(IN ADMINISTRATION)

Registered Number: 08741538

Court Ref: CR-2020-MAN-000630

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

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

Report period
19 December 2020 to 18 June 2021

13 July 2021

Mark Colman and Megan Singleton - Joint Administrators
Leonard Curtis

20 Roundhouse Court, South Rings Business Park, Bamber Bridge, Preston PR5 6DA

Tel: 01772 646180 Fax: 01772 646181

General email: recovery@leonardcurtis.co.uk

Ref: P/28/ARA/I273M/1010

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**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 Investment Holdco 123 Limited (“the Company”) for the period from 19 December 2020 to 18 June 2021 (“the Period”). This is the Joint Administrators’ second 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 19 December 2020 to 18 June 2021, being the period since the end of the period covered by the last progress report.

2 STATUTORY INFORMATION

- 2.1 Mark Colman and Megan Singleton 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 CR-2020-MAN-000630 on 19 June 2020. 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 Preston office of Leonard Curtis, which is situated at 20 Roundhouse Court, South Rings Business Park, Bamber Bridge, Preston PR5 6DA.
- 2.3 The principal trading address of the Company was Suite 15b, Mioc, 11 Styal Road, Manchester M22 5WB. 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 Suite 15b, Mioc, 11 Styal Road, Manchester M22 5WB. Following the appointment, this was changed to 20 Roundhouse Court, South Rings Business Park, Bamber Bridge, Preston, PR5 6DA. The registered number of the Company is 08741538.
- 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 the general body of creditors on 28 July 2020.

- 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 It is envisaged that this objective will be achieved as it is anticipated a distribution will be made to the secured creditor, Pangaea Two Acquisition Holdings Viii (“Pangaea”), under their security against the Company.

4 PROGRESS OF THE ADMINISTRATION

- 4.1 Attached at Appendix B is the Joint Administrators’ receipts and payments account for the period from 19 December 2020 to 18 June 2021 and cumulative from 19 June 2020 to 18 June 2021

Balance at Bank

- 4.2 As previously reported, a balance of £63,194.05 was received from HSBC UK Bank Plc.

Intercompany Debtors and Loans

- 4.3 As previously reported, the Company’s management accounts as at 12 March 2020 provided a book value of £4,296,811 to Intercompany debtors and loans. It is understood the debtors were offset against group claims prior to the Joint Administrators’ appointment. It should be noted that the associated connected debtors are all currently subject to formal insolvency proceedings however, these debts are subject to ongoing review.

Investments

- 4.4 As previously reported, the Company’s management accounts as at 12 March 2020 stated a book value of £550,001 for the Company’s investments. The directors advised that this relates to investments made in a number of connected companies, the majority of which are subject to formal insolvency proceedings.

Following our appointment, an offer of \$50,000 was received from Pangaea Two Acquisition Holdings VIII, LLC (“Pangaea”) a connected company by way of common directors and shareholders, to purchase the Company’s investment in the shareholding of Arlington Industries Group Limited (“AIGL”). AIGL is a connected company by way of common directors and shareholders.

Prior to our appointment, the directors of AIGL instructed a firm of independent accountants to deliver an opinion on the open market value of the shareholding of AIGL. The report concluded that 100% of the equity in AIGL had a negligible value. Following our appointment, the Joint Administrators instructed Moore and Smalley LLP (“MHA”) to review such report and confirm the value of the shareholding in AIGL held by the Company. MHA confirmed that the shareholding would have a negligible value on the open market. It should be noted that the Joint Administrators also approached a number of connected parties to establish if they had any interest in making an offer for the shares held by the Company in AIGL.

No further offers were received and as such, a sale of the shareholding to Pangaea was concluded. Clarke Willmott LLP (“Clarke Willmott”) were instructed to draft the share purchase agreement and liaise with Pangaea in respect to the sale. On 17 February 2021 Clarke Willmott confirmed a balance of £36,215.95 was received from Pangaea, which represents the agreed sale consideration of \$50,000. The proceeds of the sale have since been forwarded to the Joint Administrators.

Unpaid share capital

- 4.5 The Company’s management accounts as at 12 March 2020 provides a book value of £1,400,918 to debtors and prepayments. It is understood this balance relates to unpaid share capital due from FG Capital Partners LLP

(“FG Capital”). FG Capital is a connected company as the Company’s director, Mark Franckel is a designated member. Clive Morris of Marshall Peters was appointed as Liquidator of FG Capital on 29 April 2021. The Joint Administrators instructed Clarke Willmott to review the position and pursue any potential recoveries in this regard. A further update will be provided in the next progress report.

VAT Refund

- 4.6 It is understood the Company formed part of the AIGL VAT group. A return was submitted for the quarter ending 30 June 2020, which included a refund in the sum of £24,061.43 due to the Company. The balance has since been received by the Joint Administrators.

Interest

- 4.7 An amount of £0.55 has been accrued in respect of interest during the course of the administration. No interest has been received in the Period.

5 ASSETS STILL TO BE REALISED

Unpaid share capital

- 5.1 As detailed at 4.5, the Joint Administrators have instructed their solicitors, Clarke Wilmott to review the position and pursue any potential recoveries in this regard.

Intercompany Debtors and Loans

- 5.2 As detailed above, it is understood that the intercompany debtors and loans were offset against group claims prior to our appointment. The Joint Administrators are currently awaiting further documentation in order to fully review this position.

6 INVESTIGATIONS

- 6.1 Following their appointment, the Joint Administrators 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.
- 6.2 As advised previously, prior to the Joint Administrators’ appointment, the Company was a claimant in a protracted legal case. Although the Joint Administrators are not taking this claim forward, we are currently reviewing the circumstances surrounding the claim. Nothing further has been brought to the attention of the Joint Administrators during the Period of this report. An update will be provided in the next progress report. If any creditor is aware of any particular matters which they consider require investigation, they should please send full details to this office at the address given at the front of this report.
- 6.3 Regardless of the above, the Joint Administrators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

7 JOINT ADMINISTRATORS' REMUNERATION AND EXPENSES**Pre-Administration Costs**

- 7.1 On 12 August 2020, the secured creditor consented to the following pre-Administration costs and expenses being paid as an expense of the Administration:

Charged by	Services provided	Total amount charged £	Total amount paid £	Total amount unpaid £
Leonard Curtis Recovery Limited	Assessing the financial position of the Company, dealing with the appointment papers and formalities and liaising with the secured creditors.	20,718.50	20,718.50	-
Clarke Willmott LLP	Drafting and filing Notice of Intention to Appoint Administrators ("NOI"), serving the NOI on the relevant parties and drafting and filing of Notice of Appointment of Administrators.	10,000.00	10,000.00	-
Clarke Willmott LLP	Solicitors disbursements – Court filing fee	54.27	54.27	-
TOTAL		30,772.77	30,772.77	-

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

Joint Administrators' Remuneration

- 7.2 In their report dated 24 July 2020, the Joint Administrators sought approval for 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 £70,152.50 ("Fees Estimate"). On 12 August 2020, the voting creditor made a variation to the Fees Estimate and agreed for the amount to be fixed not exceeding £45,000.00.
- 7.3 The time charged by the Joint Administrators for the period of this report amounts to £34,199.00. This represents 93.2 hours at an average rate of £366.94 per hour. A summary of time costs incurred in the period is set out at Appendix C, together with a detailed description of work undertaken in the period, attributable to each category of time costs, and an explanation of why it was necessary for that work to be performed.
- 7.4 The Joint Administrators' time costs are summarised below:

	Hours No.	Rate / hr £	Total value of time £
Time previously reported	226.9	363.36	82,445.50
Time incurred in the period of this report	93.2	332.18	34,199.00
Total Administrators' time costs	313.0	362.32	113,405.00

- 7.5 Attached, at Appendix D, is a summary of time costs incurred to date compared with time costs as set out in the Joint Administrators' original fees estimate.
- 7.6 You will note that time costs incurred to date do exceed the time as set out in the Fees Estimate. The areas where significant variance has occurred relate to:

7.7 Statutory and Review

Further time than initially anticipated has been incurred to this category due to the following:

- Review of the Company's shareholding position and unpaid share capital;
- Review of court documents and liaising with Clarke Willmott LLP in respect to the legal action against the Company; and
- Internal meetings to discuss the progress of the case.

Receipts and Payments

Additional time than initially anticipated was incurred due to the following:

- Regular review and management of the case bank account and postings of funds received;
- Managing estate expenses; and
- Liaising with former Company management team regarding pre appointment VAT return.

Insurance

Time was spent reviewing the bond to ensure that creditors are appropriately protected. The bond was reviewed upon large receipt of monies into the case.

Assets

Further time than initially anticipated has been incurred to this category due to the following:

- Additional time has been spent reviewing the asset position of the Company;
- Time has been spent liaising with MHA regarding the valuation of the Company's investments and reviewing the offer received. As detailed above the Company held a number of investments in connected companies, a full review of each company was undertaken to understand the current position and value;
- Liaising with Company's former management regarding the VAT refund; and
- Additional time has been spent reviewing the unpaid share capital position.

Liabilities

Further time than initially anticipated has been incurred dealing with the current unsecured creditor position and ongoing legal action. The Joint Administrators were required to seek legal assistance in this regard in order to review the position and establish if any further action was necessary.

7.8 The Administration is not yet complete and it is therefore anticipated that further time costs will be incurred in dealing with this matter. The time incurred by the Joint Administrators has already exceeded the Fees Estimate and as such, the Joint Administrators will revert to the secured creditors for further approval in due course. The information provided above is therefore for information purposes only.

7.9 Further guidance may be found in "Administration: A Guide for Creditors on Insolvency Practitioner Fees" (Version 1 – April 2021) which may be downloaded from:

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

7.10 If you would prefer this to be sent to you in hard copy please contact Azimunnisa Raj of this office on 01772 646180.

7.11 The remuneration drawn by the Joint Administrators to date totals £45,000 plus VAT. All of which has been drawn during the Period.

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 expenses" and are subject to the approval of the creditors.

Additionally, with effect from 1 April 2021, the Joint Administrators 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. Payments to associates are subject to the same level of approval as the office holder's fees and category 2 expenses and further details are included at Appendix E and F. No resolution has been proposed to creditors with regards to payments to associates.

On 12 August 2020, the secured creditors also approved that category 2 expenses 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 The expenses incurred have exceeded those anticipated within the original statement of expenses.
- 8.4 The area where significant variance has occurred relates to legal assistance required from our solicitors, Clarke Willmott LLP with regards to dealing with all legal issues concerning the Company. Clarke Willmott LLP are currently reviewing the legal action the Company was involved with prior to our appointment together with exploring the possibility of the sale of the Company's investments. It is anticipated further costs will be incurred in this regard as this matter remains ongoing.
- 8.5 No professional advisors or subcontractors have been instructed since our last report.
- 8.6 Attached at Appendix F is additional information in relation to the firm's policy on staffing, the use of subcontractors, disbursements and details of our 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.
- 8.7 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.
- 8.8 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.

- 8.9 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.
- 8.10 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.

Secured Creditors

9.2 Pangaea Two Acquisition Holdings Viii (“Pangaea”)

Pangaea hold security in the form of a debenture incorporating a fixed and floating charge over all the Company's assets. The debenture was created on 15 May 2020 and registered with Companies House on 21 May 2020. It is understood Pangaea are owed £50,383.56 in this regard.

It is anticipated that there will be a distribution to Pangaea under their security, however the quantum and timing of such distribution is uncertain at this time.

Preferential Claims

- 9.3 The only categories of claims which have preferential status are those of employees in respect of wages and accrued holiday pay and certain pension contributions. It is understood that the Company did not have any employees and as such, the Joint Administrators do not anticipate there to be any claims of a preferential nature. No claims have been received in this regard.

Prescribed Part

- 9.4 The Insolvency Act 1986 provides that, where a company has created a floating charge after 15 September 2003, a prescribed part of the company's net property must be made available to the unsecured creditors and not be distributed to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims. The net property represents the assets available after the costs and expenses of the insolvency procedure and the discharge of preferential creditors' claims in full. No provision has been included within the estimated statement of affairs regarding the costs and expenses of the insolvency procedure. The method of calculating the prescribed part is given below:

Where the net property does not exceed £10,000 (the prescribed minimum) it may be considered that the cost of making a distribution is disproportionate to the benefits and no prescribed part is required to be set aside.

Where the net property exceeds £10,000 the prescribed part is calculated at a value of 50% of the first £10,000 plus a further 20% of the net property which exceeds £10,000, up to a maximum prescribed part of £800,000 where the first ranking floating charge was created on or after 6 April 2020 (£600,000 if created before then).

Based upon the information currently available and unless further recoveries are made as a result of our investigations, as mentioned above, it is estimated that the net property in this case is expected to be less than the prescribed minimum after the costs of the Administration have been defrayed. Accordingly, we do not intend to set aside a prescribed part in this instance.

Unsecured Non-Preferential Claims

- 9.5 At previously detailed, it is considered unlikely that a liquidator will be appointed for the purpose of enabling a distribution to unsecured creditors. This statement is being made in accordance with paragraph 52(1)(b) of Schedule B1 to the Act. Creditors should however continue to submit details of their claims using the proof of

debt form attached at Appendix H. The claims will be collated and passed to any subsequently appointed Liquidator, should the position change.

9.6 From April 2017, the Joint Administrators have had the discretion to admit claims from creditors with claims under £1,000 without receiving a proof of debt. The Joint Administrators confirm that, to date, no claims have been admitted under the small claims provisions.

9.7 If you have not already done so, please submit details of your claim to my office. A proof of debt form is attached at Appendix H for your ease of use.

10 MATTERS STILL TO BE DEALT WITH

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

- The realisation of the remaining assets, as detailed in sections 4 and 5;
- Distribution to the secured creditors under their security against the Company;
- Review and conclusion of investigations as detailed above;
- A revised fee estimate to be issued to the secured creditors; and
- The unpaid remuneration and expenses will need to be defrayed.

11 EXTENSIONS TO THE ADMINISTRATION

11.1 The appointment of administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.

11.2 In certain circumstances it becomes necessary to extend the Administrators' term of office.

11.3 As you will be aware on 13 May 2021, the period of the administration was extended until 18 June 2022 with the consent of:

- with the consent of each secured creditor of the Company.

11.4 The extension was required to allow sufficient time for a distribution to the secured creditor; to pursue the repayment of unpaid share capital and to allow sufficient time for the Joint Administrators to review and conclude the legal actions against the Company.

11.5 The Joint Administrators will be discharged from liability immediately upon their appointment as Administrators ceasing to have effect.

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.

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 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
INVESTMENT HOLDCO 123 LIMITED



MARK COLMAN
JOINT ADMINISTRATOR

Mark Colman and Megan Singleton are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 9721 and 22090, 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

It is proposed that:

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

SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM 19 DECEMBER 2020 TO 18 JUNE 2021 AND CUMULATIVE FROM 19 JUNE 2020 TO 18 JUNE 2021

	Estimated to realise £	Previous Period £	This period £	Cumulative £
RECEIPTS				
Balance at Bank	63,199.00	63,194.05	-	63,194.05
Interest	-	0.55	-	0.55
Investments	TBC	-	36,215.95	36,215.95
Intercompany debtors	Uncertain	-	-	-
VAT Refund	-	-	24,061.43	24,061.43
	<u>63,199.00</u>	<u>63,194.60</u>	<u>60,277.38</u>	<u>123,471.98</u>
PAYMENTS				
Pre-Appointment Legal Fees - Clarke Willmott LLP		(10,000.00)	-	(10,000.00)
Pre-Appointment Legal Disbursements – Clarke Willmott LLP		(54.27)	-	(54.27)
Administrators' Remuneration		-	(45,000.00)	(45,000.00)
Pre-appointment Administrators' Fee		-	(20,718.50)	(20,718.50)
Category 1 Disbursements		-	(398.83)	(398.83)
Category 2 Disbursements		-	(5.25)	(5.25)
Solicitors' Fees and Expenses – Clarke Willmott LLP		-	(5,833.00)	(5,833.00)
Accountancy Fees – Moore and Smalley LLP		-	(7,000.00)	(7,000.00)
		<u>(10,054.27)</u>	<u>(78,955.58)</u>	<u>(89,009.85)</u>
BALANCE IN HAND				<u>34,462.13</u>
Represented by:				
Fixed Charge Account – Interest Bearing				16,670.16
Floating Charge Account – Interest Bearing				-
VAT Control Account				17,791.97
				<u>34,462.13</u>

SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD
FROM 19 DECEMBER 2020 TO 18 JUNE 2021

	Total Units	Cost £	Average Hourly Rate £
Statutory and Review	549	19,832.50	361.25
Receipts and Payments	165	5,648.00	342.30
Insurance	6	142.50	237.50
Assets	1,055	45,858.50	434.68
Liabilities	559	18,417.50	329.47
Debenture Holder	136	5,253.00	386.25
General Administration	119	3,850.00	323.53
Appointment	253	7,450.50	294.49
Post Appointment Creds Mtngs	187	4,192.50	224.20
Investigations	172	5,999.50	348.81
<hr/>			
Total	3,201	116,644.50	
<hr/>			
Average Hourly Rate (£)		364.40	
<hr/>			
All Units are 6 minutes			

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 ensures that the case is managed efficiently and resourced appropriately, which is of benefit to all creditors. The work carried out under this category has comprised the following:

- Case management reviews. These were carried out periodically throughout the life of the case. As the case progresses we carried out regular reviews to ensure that the case is progressing as planned.
- Allocation of staff, management of staff, case resourcing and budgeting.
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9.
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice.

Receipts and Payments

This category of work has not resulted 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 fixed and floating charge assets have been properly identified and prescribed part funds have been set aside where appropriate;
- Preparation of periodic receipts and payments accounts for inclusion in statutory reports;
- Timely completion of all post appointment tax and VAT returns; and
- Managing 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.

Assets

- Additional time has been spent reviewing the asset position of the Company;
- Reviewing the valuation of the Company's investments and reviewing offer received. The Company made a number of investments in connected companies, a full review of each company was undertaken to understand the current position;
- Correspondence with Clarke Willmott LLP regarding the sale of investments and drafting share purchase agreement;
- Correspondence with the Purchaser; and
- Additional time has been spent reviewing the unpaid share capital position and seeking legal advice in this regard.

Liabilities

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

Statutory

- Processing of claims from the Company's creditors
- Preparation, review and submission of pre-appointment tax and VAT returns; and
- Preparation and submission of periodic progress reports to creditors

Non-statutory

Dealing with enquiries from the Company's creditors

General Administration

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

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

Appointment

There are certain tasks which the Joint Administrators have a statutory obligation to undertake during the administration process. Other tasks are completed in order to ensure the administration is progressed to the benefit of all creditors and stakeholders. Actions completed to date are both statutory and non-statutory and include the following:

- Requesting an extension to the administration and liaising with the secured creditors in respect of the same; and
- Statutory notifications to creditors following the Joint Administrators' extension to the administration.

Investigations

- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations

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

	Fees Estimate Total			Incurred To Date Total			Variance
	Units	Cost	Average Hourly Rate	Units	Cost	Average Hourly Rate	Cost
	No	£	£	No	£	£	£
Statutory and Review	113	4,082.00	361.24	549	19,832.50	361.25	15,750.50
Receipts and Payments	48	1,568.00	326.67	165	5,648.00	342.30	4,080.00
Insurance	-	-	-	6	142.50	237.50	142.50
Assets	296	13,055.00	441.05	1,055	45,858.50	434.68	32,803.50
Liabilities	257	8,140.50	316.75	559	18,417.50	329.47	10,277.00
Debenture Holder	46	1,953.00	424.57	136	5,253.00	386.25	3,300.00
General Administration	69	2,260.50	327.61	119	3,850.00	323.53	1,589.50
Appointment	208	6,327.00	304.18	253	7,450.50	294.49	1,123.50
Planning and Strategy	6	315.00	525.00	-	-	-	(315.00)
Post Appointment Creds Mtngs	183	4,494.50	245.60	187	4,192.50	224.20	(302.00)
Investigations	100	2,804.50	280.45	172	5,999.50	348.81	3,195.00
Total	1,326	45,000.00	339.37	3,201	116,644.50	364.40	71,644.50
All Units are 6 minutes							

APPENDIX E

**SUMMARY OF JOINT ADMINISTRATORS' EXPENSES
FROM 19 JUNE 2020 TO 18 JUNE 2021
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	Business Tax Centre	Electronic client verification	30.00	18.00	-	18.00	-
Bond Fee	AUA Insolvency Risk Services	Insurance bond	135.00	135.00	-	135.00	-
Document Hosting*	Pelstar Limited	Hosting of documents for creditors	56.00	42.00	14.00	42.00	-
Software Licence Fee*	Pelstar Limited	Case management system licence fee	87.00	87.00	-	87.00	-
Statutory Advertising	Courts Advertising	Advertising	102.00	91.80	-	91.80	-
Storage Costs	Auctus Limited	Storage of books and records	50.00	-	-	-	-
Postage	Royal Mail	Postage of letters	-	44.14	44.14	25.03	19.11
		Total standard expenses	460.00	417.94	58.14	398.83	19.11

* Payment to Associate requiring specific creditor / committee approval if drawn after 1 April 2021

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	Moore and Smalley LLP	Costs of valuing and realising Investments	7,000.00	7,000.00	-	7,000.00	-
Legal Fees	Clarke Willmott LLP	Costs of appointed solicitors - Reviewing validity of charge held. Drafting and completing the Share Purchase Agreement. Providing general legal advice in respect to legal action against the Company and intercompany position.	7,000.00	24,358.00	5,833.00	5,833.00	18,525.00
Staff Mileage	Leonard Curtis	Category 2 disbursement requiring specific creditor / committee approval	50.00	5.25	5.25	5.25	-
		Total case specific expenses	14,050.00	31,363.25	5,838.25	5,838.25	18,525.00

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 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

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. 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 below).

Whilst we are not aware of any third parties who meet the legal definition of "Associate" we are aware that there is a perceived association between LC and Pelstar Limited. Pelstar Limited provides insolvency case management software and document hosting facilities to LC. LC employs an individual who is married to a director of Pelstar Limited. Pelstar Limited's costs are set out in the tables below.

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																								
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 (see Use of Associates and Category 2 expenses)	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 (see Use of Associates and Category 2 expenses)	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																								

INVESTMENT HOLDCO 123 LIMITED – IN ADMINISTRATION

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
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 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 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
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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.

ESTIMATED OUTCOME STATEMENT

	Secured £'000	Financed £'000	Preferential £'000	Unsecured £'000
Amount available to class of creditor	TBC	Nil	Nil	Nil
Amount due to creditor per Estimated Financial Position	(50)	Nil	Nil	(4,685)
Estimated dividend rate (as a %)	TBC%	N/a	N/a	Nil

Proof of Debt – General Form

Relevant date: 19 June 2020

Please e-mail completed form to:

recovery@leonardcurtis.co.uk quoting ref: I273M/ARA/PROOF

Name of Company in Administration:

Investment Holdco 123 Limited

Company registered number:

08741538

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

2. Correspondence address of creditor (including email address)

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

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

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

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

INVESTMENT HOLDCO 123 LIMITED – IN ADMINISTRATION

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

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

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

10. Date of signing:

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

12. Name in BLOCK LETTERS

13. Position with, or relation to, creditor

Notes:

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

recovery@leonardcurtis.co.uk quoting ref: I273M/ARA/PROOF

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

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