

AM10

Notice of administrator's progress report



Companies House

WEDNESDAY



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COMPANIES HOUSE

1 Company details

Company number 0 8 9 1 3 3 8 2

Company name in full Seth Lovis & Co Solicitors Limited

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

2 Administrator's name

Full forename(s) Finbarr Thomas

Surname O'Connell

3 Administrator's address

Building name/number 25 Moorgate

Street London

Post town EC2R 6AY

County/Region

Postcode

Country

4 Administrator's name

Full forename(s) Julien Robert

Surname Irving

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

5 Administrator's address

Building name/number Tower, 12 Manchester House

Street 18-22 Bridge Street

Post town Manchester

County/Region

Postcode M 3 3 B Z

Country

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 1	^m 0	^m 9	^y 2	^y 0	^y 1	^y 9
To date	^d 1	^d 0	^m 0	^m 3	^y 2	^y 0	^y 2	^y 0

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

Fintona O'Connell

X


Signature date


^d 2	^d 1	^m 0	^m 4	^y 2	^y 0	^y 2	^y 0
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AM10


Notice of administrator's progress report

 Presenter information											
You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.											
Contact name	Finbarr Thomas O'Connell										
Company name	Smith & Williamson LLP										
Address	25 Moorgate										
	London										
Post town	EC2R 6AY										
County/Region											
Postcode	<table border="1"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr></table>										
Country											
DX	119507 Finsbury Square EC2										
Telephone	020 7131 4000										

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Please make sure you have remembered the following:
<input type="checkbox"/> The company name and number match the information held on the public Register.
<input type="checkbox"/> You have attached the required documents.
<input type="checkbox"/> You have signed the form.

 Important information
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Seth Lovis & Co Solicitors Limited (in administration)

Joint administrators' progress report for the period from 11
September 2019 to 10 March 2020

21 April 2020



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1. Glossary

Abbreviation	Description
the Company	Seth Lovis & Co Solicitors Limited
the administrators/joint administrators	Finbarr Thomas O'Connell and Julien Robert Irving
SIP	Statement of Insolvency Practice (England & Wales)
IA86	Insolvency Act 1986 If preceded by S this denotes a section number
Sch B1	Schedule B1 to the Insolvency Act 1986 If preceded by P this denotes a paragraph number
IR16	Insolvency (England and Wales) Rules 2016 If preceded by R this denotes a rule number
SOA	Statement of Affairs
ETR	Estimated to realise
CVA	Company Voluntary Arrangement
CVL	Creditors' Voluntary Liquidation
HMRC	HM Revenue & Customs
QFCH	Qualifying Floating Charge Holder a secured creditor who has the power to appoint an administrator
RPS	Redundancy Payments Service
S&WFS	Smith & Williamson Financial Services Limited
FCA	Financial Conduct Authority
Leonard Curtis / LC	Leonard Curtis Recovery Limited
25 John Street / 17 John's Mews	The properties / premises
CFA	Conditional Fee Arrangement
WIP	Work In Progress
SRA	Solicitors' Regulation Authority
Recovery First	Recovery First Limited
Solicitor Manager	Andrew Gregory of Leonard Curtis Legal Limited
HNG	Hargreaves Newberry Gyngell Limited
Rabbow	Rabbow & Co LLP
VFS	VFS Legal Limited

Abbreviation	Description
Doorway	Doorway Capital Limited
RBS	The Royal Bank of Scotland Plc
JLT	JLT Specialty Ltd
WIP	Work In Progress (being unbilled legal work)

2. Introduction & Summary

This report provides an update on the progress in the administration of the Company for the six month period ended 10 March 2020. It should be read in conjunction with any previous reports. By way of reminder, we, Finbarr Thomas O'Connell of Smith & Williamson LLP, 25 Moorgate, London, EC2R 6AY and Julien Robert Irving of Leonard Curtis Recovery Limited were appointed administrators of the Company on 11 March 2019.

- Work has continued in recovering the Company's WIP ledger. During the period of this report, a further £941,482 has been recovered (£1,333,564 in total). As previously noted, the WIP is forecast to take a number of years to recover, due to the protracted nature which settlements can often take to reach in these circumstances.
- Work has also continued in seeking to realise the Company's other main assets, the properties at 25 John Street and 17 John's Mews which were the Company's former trading premises. We hope to be able to complete a sale as regards these properties soon.
- At this juncture we remain unable to determine the exact extent to which the secured creditors, and those creditors which may have the benefit of assigned WIP balances, will receive payments from the aforementioned realisations of WIP and property. As such, it is also unclear as to the quantum of funds which will be available for the purpose of discharging preferential claims. A dividend to unsecured creditors, other than possibly by way of the prescribed part (see section 8.2), is now unfortunately viewed as being very unlikely.
- The objectives of the administration remain to (i) achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration) and (ii) realise property in order to make a distribution to one or more secured or preferential creditors.
- The Joint Administrators are continuing to investigate the financial position of the Company and it is clear that there remains significant work to be undertaken before being able to conclude on the final outcome for creditors.
- Since the Joint Administrators' proposals were approved, the Joint Administrators' are yet to agree the basis of their remuneration and accordingly the Joint Administrators have not drawn any fees to date.
- The Joint Administrators will be seeking approval of the basis of their remuneration and disbursements from the secured and, if applicable, preferential creditors.

Please note that this report has been produced during the period of the Covid-19 lockdown restrictions. As a result, we had limited access to our physical case files and had to produce this report from incomplete records in some cases. We have taken every reasonable step to ensure that the information is accurate, but if anything is incorrect or incomplete and comes to our attention, we will provide an explanation and corrected information in the next progress report.

3. Progress of the administration

Attached at Appendix II is our receipts and payments account for the period from 11 September 2019 to 10 March 2020. This account includes cumulative figures for the period from 11 March 2019 to 10 March 2020.

The receipts and payments account also includes references to the directors' SOA but please note that these references, shown alongside the receipts and payments figures, are all described as 'uncertain', due to the understandable difficulty in the directors giving accurate estimated to realise values, as regards complex assets, at the time the SOA was completed.

3.1 WIP and accrued fees on live matters ("WIP")

Further WIP of £941,482 has been recovered in the period of this report (total of £1,333,564). Recovery First's estimates of the outcome for total recoveries range between £3,454,036 and £4,044,286. These future recoveries

are likely to be realised throughout the next 24 months, although it is not possible to say with certainty the exact duration required to finalise recoveries.

It should be noted that the majority of the receivables are subject to CFAs and therefore the recoverability on each case is uncertain. This uncertainty is reflected in the range of outcomes mentioned in the preceding paragraph.

We remain in discussion with the Company's secured lenders; and those with an assignment of WIP balances, in order to facilitate an agreement in relation to the distribution of WIP recoveries.

3.2 Freehold properties ("the properties")

As previously reported, the Company owns the freehold title to 25 John Street and 17 John's Mews, which collectively were the Company's trading premises.

By way of a reminder from previous reports, the Company's SASS Pension Schemes have a minority financial interest of 33.2% in 25 John Street. RBS has a fixed charge over 25 John Street and both RBS and VFS have a fixed charge over 17 John's Mews and have also entered into a priority deed pursuant to which, upon a sale of 17 John's Mews, the first £348k (plus interest and costs) of realisations is payable to RBS and the next £566.5k (plus interest and costs) is payable to VFS.

Previously, the uncertainty surrounding Brexit dampened interest in the properties. Following the general election results in December 2019 and into the early part of 2020 there was greater positivity in the market, leading to increased interest in the properties.

We have received an acceptable offer for the properties and hope to be able to complete a sale of these properties soon. We will provide a further update on this matter in due course.

3.3 Book debts

The joint administrators continue to liaise with Recovery First in respect of their pursuit of the unpaid legal fees from several former clients of the Company. With a full review having now been undertaken, the joint administrators and Recovery First will be actively taking steps to recover these amounts.

A further update will be provided in the joint administrators' next progress report.

3.4 Prepaid disbursements

As detailed in the joint administrators' first progress report, the Company funded certain disbursements (for example court filing fees on client files). No recoveries have been made from this source during the period covered by this report, however, it remains possible that additional recoveries (albeit expected to be of relatively low value), may be made prior to the closure of the administration.

3.5 Chattels

During the period, the joint administrators' agents have uplifted the final remaining items from the Company's former business premises to prepare the properties for sale. It is anticipated that these items will be of little or no value; however, if any value is recovered from these items we will provide an update in our next report.

3.6 Client monies

During the period, £9,282.50 has been recovered into the administration estate. This relates to monies which have been paid to the Company's bank accounts by clients in error. These funds will be reassigned accordingly.

3.7 Bank interest

During the period covered by this report, the sum of £1,343.16 has been received in respect of bank interest on the funds held within the administration estate.

4. Investigations

Under the Company Directors Disqualification Act 1986 we have a duty to make a submission to the Secretary of State for Business, Energy & Industrial Strategy on the conduct of all those persons who were directors at the date the Company entered administration or who held office at any time during the three years immediately preceding the administration.

We have complied with our duty in this regard. As all submissions are strictly confidential, we are unable to disclose their content.

Additionally, we have a duty to investigate transactions to establish whether there may be any worth pursuing for the creditors' benefit from, for example, legal proceedings. Shortly after appointment, we made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors, information gathered from our own investigations and information gathered from responses to our investigation questionnaires.

5. Pre-administration costs

The pre-administration costs were reported in the administrators' proposals dated 1 May 2019.

By way of a reminder, details of both paid and unpaid pre-administration costs are detailed in the table below:

Charged by/service(s) provided	Total amount charged £	Amount paid £	Who made payment	Amount unpaid £
Smith and Williamson LLP	236,067.00	73,333.33	The Company	162,733.67
Leonard Curtis Recovery Limited	20,320.00	0.00	The Company	20,320.00
Ashfords LLP	6,000.00	6,000.00	The Company	0.00
CMB Partners (UK) Limited	25,000.00	25,000.00	The Company	0.00
Total	287,387.00	104,333.33		183,053.67

We are not aware of any fees or expenses incurred by any other person qualified to act as an insolvency practitioner with a view to the Company entering administration.

The payment of unpaid pre-administration costs set out above as an expense of the administration is subject to the approval of creditors. Based on the most recent analysis produced, it is unlikely that the Company will have sufficient funds to enable a distribution to be made to unsecured creditors, other than via the Prescribed Part (see section 8.2 below).

In light of the above, approval will be sought from the secured and, if applicable, preferential creditors, in the absence of a creditors' committee having been formed. It is expected that the approval of the aforementioned costs will be incorporated into the ongoing discussions with secured lenders with regard to the distribution of monies recovered from the Company's outstanding WIP balances.

6. Administrators' remuneration

As detailed within the administrators' proposals and initial progress report, approval of the Joint Administrators' remuneration will be sought from the secured and, if necessary, the preferential creditors, in light of creditors having sought to not establish a creditors' committee. It remains possible that a committee may be formed at a later stage; however, to date, no expressions of interest have been made in this regard.

It is anticipated that the joint administrators will seek the basis of their remuneration to be fixed by reference to time properly spent by them and their staff in attending to matters arising within the administration. In doing so, the Joint Administrators will share a fee estimate, as regards their work for the appropriate period, with the secured and, if applicable, preferential creditors, at the appropriate stage.

Whilst formal approval of the administrators' time costs is yet to be received, details of the time costs to date are detailed below:

Period	Total hours hrs	Total costs £	Average hourly rate £/hr	Fees drawn £
11 March 2019 to 10 September 2019 (S&W)	683.45	177,054.75	259.06	0.00
11 March 2019 to 10 September 2019 (LC)	37.90	16,179.00	426.89	0.00
11 September 2019 to 10 March 2020 (S&W)	411.30	108,871.80	264.70	0.00
11 September 2019 to 10 March 2020 (LC)	16.40	6,544.00	399.02	0.00
Total	1,149.05	308,649.55	268.61	0.00

Attached as Appendix II, is a time analysis which provides details of the activity costs incurred by staff grade during the period of this report in respect of the costs fixed by reference to time properly spent by the administrators and their staff in attending to matters arising in the administration. Details of work carried out in the period are also included in the body of this report.

Also attached as Appendix III, is a cumulative time analysis for the period from 11 March 2019 to 10 March 2020 which provides details of the administrators' time costs since appointment.

The joint administrators' time costs incurred during this reporting period are £115,416 (as above), with £308,649 having now been incurred for the entirety of the administration. Only the incurred time costs within the approved estimate, once approved, will be drawn. Any sum in excess of the approved estimated time costs will not be recovered until the requisite further approval has been received.

Creditors should be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. An example would include providing information relating to the Company and its former officers as required by the Company Directors' Disqualification Act 1986.

A copy of "A Creditor's Guide to Administrator's Fees", as produced by the ICAEW, is available free on request or can be downloaded from their website as follows:

<http://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/administration-creditor-fee-guide-6-april-2017.ashx?la=en>

Details of Smith & Williamson LLP's and Leonard Curtis Recovery Limited's charge out rates and policies in relation to the use of staff are provided at Appendix IV.

On a general note, please be aware that the joint administrators' charge out rates are subject to an annual review.

7. Administration expenses

7.1 Subcontractors

We have utilised the services of the following subcontractors during the current period:

Provider/Service(s)	Basis of fee arrangement	Costs incurred in current period £	Costs paid in current period £	Total costs outstanding at period end £
Louise Fletcher	Hourly rate agreed	1,125.00	1,125.00	0.00

Further subcontractor costs were incurred and paid during the preceding reporting period. Details of those costs can be found within the joint administrators' first progress report.

7.2 Professional advisers

On this assignment we have used the professional advisers listed below. We have also indicated alongside the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of professional adviser/Service(s)	Basis of fee arrangement	Costs incurred in current period £	Costs paid in current period £	Total costs outstanding at period end £	Total costs paid £
Fraser Real Estate (Property strategy / sale)	% of realisations (to be calculated upon completion of sale)	0.00	0.00	0.00	0.00
HNG (Property agents)	% of realisations (to be calculated upon completion of sale)	0.00	0.00	0.00	0.00
Leonard Curtis Legal (Solicitor Manager)	Hourly rate and disbursements	39,564.85	0.00	39,564.85	0.00
Leonard Curtis Legal (General Legal advice)	Hourly rate and disbursements	17,815.00	0.00	17,815.00	0.00
Leonard Curtis Legal (Property advice)	Hourly rate and disbursements	4,931.12	0.00	4,931.12	0.00
Total		62,310.97	0.00	62,310.97	0.00

7.3 Administrators' disbursements

We have paid and/or incurred the following disbursements in the current period:

Description	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Travel & subsistence	146.83	0.00	146.83
Storage costs	15,629.92	15,629.92	0.00
Total	15,776.75	15,776.75	146.83

Further disbursements were incurred during the preceding reporting period. Details of these costs can be found within the joint administrators' first progress report.

7.4 Category 2 disbursements (see appendix IV for an explanation)

The following Category 2 disbursements have been incurred and/or paid in the current period:

Description	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £	Total costs paid £
Mail charges	44.28	0.00	44.28	0.00
Case management software	808.38	808.68	0.00	808.68
Total	852.66	808.68	44.28	808.68

Additional category 2 disbursements were incurred and paid during the previous reporting period. Details of those costs can be found within the joint administrators' first progress report.

7.5 Other expenses

Other expenses (i.e. those not detailed in the preceding sections) paid during the period covered by this report are shown in the receipts and payments summary at Appendix I. Detailed below are those expenses which we consider to be significant in the context of this case. These expenses were incurred but not paid in the current period:

Supplier/Service provider	Nature of expense incurred	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Veritas Property Management Limited	Security & Property Maintenance	4,042.10	0.00	4,042.10

7.6 Policies regarding use of third parties and disbursement recovery

Appendix IV provides details of the joint administrators' respective firm's policies in relation to the use of subcontractors and professional advisers, and the recovery of disbursements.

8. Estimated outcome for creditors

The estimated outcome for each class of creditors is set out below.

When it becomes clear as to how asset realisations will be allocated between the secured creditors, and those with the benefit of any assignment of WIP, it will be possible to produce an Estimated Outcome Statement ("EOS"); however, this is not possible at present. It is hoped that it will be possible to incorporate an EOS in our next report.

8.1 Secured creditors

As previously reported, the position in relation to the priority in respect of the Company's secured creditors, and those with the benefit of any assignment of WIP, is currently subject to ongoing legal analysis and discussion between the relevant parties.

The administrators have been working closely with the charge holders, and those with the benefit of any assignment of WIP, in order to resolve this matter but are yet to reach a final conclusion. We will provide a further update in this regard in our next report, at which point we hope to have greater clarity regarding the position of each of the three secured lenders, including any rights VFS and/or Doorway may have to the benefit of an assignment of WIP. By way of reminder, the Company has the following three secured creditors:

8.1.1 RBS

The Company received funding via an overdraft facility with RBS. In addition, a loan was also provided to the Company. RBS holds security by way of a debenture, created on 3 November 2015 (delivered on 4 November 2015), as well as legal charges over the freehold properties at 25 John Street and 17 John's Mews. A sum of c.£3.0m plus interest and any other applicable fees remains outstanding to RBS.

8.1.2 Doorway

The Company received funding from Doorway with regard to specific client files. Doorway holds security by way of a debenture, created on 25 April 2016 (delivered on 25 April 2016). A sum of c.£1.5m plus interest and any other applicable fees remains outstanding to Doorway.

8.1.3 VFS

The Company received funding from VFS with regard to WIP and disbursements on specific client files. VFS hold security by way of a debenture, created on 8 November 2018 (delivered 8 November 2018), as well as a legal charge over 17 John's Mews. A sum of c.£3.2m plus interest and any other applicable fees remains outstanding to VFS.

8.2 Prescribed Part

Where a company has created a floating charge on or after 15 September 2003 Section 176A of the Insolvency Act 1986 makes provision for a share of the company's net property to be set aside for distribution to unsecured creditors in priority to the floating charge holder. The company's net property is the balance that remains after preferential creditors have been paid and which would then otherwise be available for satisfaction of the claims of any holder of a debenture secured by a floating charge. The funds are referred to as the Prescribed Part.

The amount of the Prescribed Part is calculated as follows:

- 50% of the net property up to £10,000, plus
- 20% of the net property over £10,000
- up to a maximum Prescribed Part of £600,000.

Floating charges were registered against the Company by:

- 1) The Royal Bank of Scotland Plc on 4 November 2015
- 2) Doorway Capital Limited on 25 April 2016
- 3) VFS Legal Limited on 8 November 2018

If we anticipate that there will be a distribution to creditors under their floating charge we are required to set aside a Prescribed Part fund for unsecured creditors out of the Company's net floating charge property. Due to the limited information available at present and the ongoing discussions regarding the priority of ranking and scope of the secured creditors' charges, it is not possible to determine as yet whether there will be a Prescribed Part fund in this case and hence to estimate the Company's net floating charge property, nor the value of the Prescribed Part fund to be ring-fenced for unsecured creditors.

If there is a Prescribed Part distribution to be made, this will be distributed by the joint administrators in the administration, as opposed to by subsequently appointed liquidators, following the changes made by the Small Business, Enterprise and Employment Act 2015 with effect from 26 May 2015.

8.3 Preferential creditors

The Company's potential preferential creditors' liability is currently unknown, as the Joint Administrators are yet to receive a detailed breakdown of claims received and adjudicated on by the RPS. The Joint Administrators are monitoring the position and expect full details of preferential claims to be made available in time for the next progress report. In the absence of the aforementioned schedule having been received from the RPS, the Joint Administrators will make adequate provisions in this regard on the basis of the information which they can extract from their own files.

8.4 Unsecured creditors

In the directors' SOA it was estimated that total unsecured creditor claims would be in the region of £3,500,000.

At present, we have received claims totalling £3,602,229. The Joint Administrators have not yet undertaken any form of adjudication process on these claims and will not be in a position to do so until it is clear that an unsecured creditors' dividend will be payable.

9. Outstanding matters

The remaining actions to be concluded in the administration are as follows:

- Finalise the closure and archiving of client case files.
- Finalise the clearance of the properties in preparation for sale.

- Complete the sale of the properties.
- Support the Solicitor Manager in dealing with a very high volume of queries from former clients and other parties in respect of client account funds, culminating in a return of all client monies.
- Work with Recovery First to answer all remaining queries pertaining to the transfer of case files.
- Finalise reporting to the SRA and assisting and dealing with any remaining requirements in relation to its ongoing regulatory work in relation to the firm.
- Assist Recovery First in pursuing all WIP / debt recoveries and take all appropriate actions as and when necessary.
- Conclude investigations into the Company's affairs prior to the appointment of the Joint Administrators, taking into consideration any additional information provided by the SRA and from any other sources.
- Finalise discussions with secured creditors to determine the agreed distribution of funds recovered from the sale of properties and from the WIP ledger.
- Make a distribution to the secured creditors, as appropriate.
- Finalise details of any preferential creditors and distribute funds to them, where applicable.
- Adjudicate on unsecured creditor claims in the event of sufficient asset realisations being recovered and declare a dividend, most likely by way of a Prescribed Part fund distribution. However, as mentioned in the body of this report, there is, unfortunately, no certainty that there will be a distribution to the unsecured creditors in this case, even by way of a distribution from a Prescribed Part fund.
- Discharge outstanding administration costs and expenses, in accordance with creditor approval.
- Finalise both Corporation Tax and VAT affairs and obtain relevant tax clearances for the administration period, and
- Reach a decision on the appropriate exit route from the administration and implement accordingly.

On a general note, creditors should be aware that some of this work is required by statute and may not necessarily provide any financial benefit to creditors. An example would be investigating the actions or inactions of the former officers of the Company as required by the Company Directors' Disqualification Act 1986.

10. Privacy and data protection

As part of our role as joint administrators, I would advise you that we may need to access and use data relating to individuals. In doing so, we must abide by data protection requirements. Information about the way that we will use and store personal data in relation to insolvency appointments can be found at <https://smithandwilliamson.com/rrsgdpr>

If you are unable to download this, please contact my office and a hard copy will be provided free of charge.

Details of the privacy notice for Leonard Curtis Recovery Limited, can be found at Appendix V.

To the extent that you hold any personal data of the Company's data subjects provided to you by the Company or obtained otherwise, you must process such data in accordance with data protection legislation. Please contact us if you believe this applies.

11. Ending the administration

As detailed in the Joint Administrators' approved proposals, the Joint Administrators will exercise their discretion to exit the administration by way of one of the following routes:

- (i) If having realised the assets of the Company, the joint administrators think that a distribution will be made to the unsecured creditors other than by virtue of the Prescribed Part, they may file a notice with the Registrar of Companies which will have the effect of bringing the appointment of the joint administrators to an end and will move the Company automatically into CVL in order that the distribution can be made, but only if they consider that the associated incremental costs of a CVL are justified. In these circumstances, the joint administrators, Finbarr Thomas O'Connell and Julien Robert Irving will

become the joint liquidators of the Company in the resulting CVL. The acts of the joint liquidators may be undertaken by either or both of them.

- (ii) If the joint administrators, with the permission of the court, make a distribution to unsecured creditors in addition to any Prescribed Part distribution, or they think that the Company otherwise has no property which might permit a distribution to its unsecured creditors, subject to there being no need for further investigations as described below, they will file a notice, together with their final progress report, at court and with the Registrar of Companies for the dissolution of the Company. The joint administrators will send copies of these documents to the Company and its creditors. The joint administrators' appointment will end following the registration of the notice by the Registrar of Companies.

Administrators have the power to bring claims against former officers of the Company in respect of transactions that may have caused or exacerbated a Company's insolvency. Claims with a good prospect of success may be pursued by administrators but there may be cases where it would be more appropriate if a liquidator brought the claim or where the remaining administration timeframe would not be long enough, given the maximum extension period available to administrators. The proposed exit route would, in these cases, be liquidation.

It remains possible that the administrators may elect to extend the administration. In the event that this is the desired route, they will seek to liaise with the secured creditors in order to seek the requisite approvals.

The administrators will be discharged from liability under P98(3) of Sch B1 immediately upon their appointment as administrators ceasing to have effect.

12. Creditors' rights

Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors or otherwise with the court's permission) may request in writing that the administrators provide further information about their remuneration or expenses which have been itemised in this report.

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of this report make an application to court on the grounds that, in all the circumstances, the basis fixed for the administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred (including any paid) by the administrators, as set out in this report, are excessive.

The above rights apply only to matters which have not been disclosed in previous reports.

On a general note, if you have any comments or concerns in connection with our conduct, please contact Finbarr Thomas O'Connell or Julien Robert Irving in the first instance. If the matter is not resolved to your satisfaction, you may contact Smith & Williamson's Head of Legal by writing to 25 Moorgate, London EC2R 6AY or by telephone on 020 7131 4000.

Thereafter, if you wish to take the matter further you may contact the Insolvency Services directly via the Insolvency Complaints Gateway. They can be contacted by email, telephone or letter as follows:

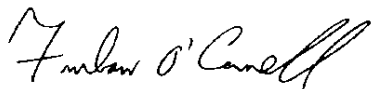
i) Email: insolvency.enquiryline@insolvency.gsi.gov.uk

ii) Telephone number: +44 300 678 0015, and

iii) Postal address: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA.

13. Next report

We are required to provide a further report on the progress of the administration within one month of the end of the next six-month period of the administration unless we have concluded matters prior to this, in which case we will write to all creditors with our final report.



Finbarr Thomas O'Connell and Julien Robert Irving

Joint Administrators

Date: 21 April 2020

I Receipts and payments account

Receipts and payments account to 10 March 2020

Statement of Affairs		11/09/2019 to 10/03/2020	11/03/2019 to 10/03/2020
£		£	£
	ASSET REALISATIONS		
	Furniture & Equipment	-	125.00
Uncertain	Property at 25 John Street	-	-
Uncertain	17 John's Mews London WC1N	-	-
Uncertain	WIP / Accrued fees	941,482.48	1,333,563.60
	Receipt of client monies	9,282.50	78,794.50
Uncertain	Prepaid disbursements	-	3,480.00
	Cash at Bank	-	72,245.70
	Bank Interest Gross	1,343.16	1,618.66
		952,108.14	1,489,827.46
	COST OF REALISATIONS		
	Consultants Expenses	-	12.00
	Agents Fees	5,750.00	5,750.00
	Return of client funds	13,454.50	78,794.50
	Storage costs	16,438.60	22,544.50
	Other property expenses	-	3,449.40
	Payroll - 01/03/2019	-	7,315.39
	Payroll agents fees	708.40	708.40
	Consultancy Fees	1,125.00	21,828.80
	Bank charges	4.30	29.90
		(37,480.80)	(140,432.89)
Uncertain		914,627.34	1,349,394.57
	REPRESENTED BY		
	VAT Receivable Flt Chg		6,229.48
	Deposit (Int Bearing)		1,343,190.09
	VAT Payable Flt Chg		(25.00)
			1,349,394.57

Notes and further information required by SIP 7

- The administrators' remuneration has not yet been approved.
- We have not yet sought approval of or drawn any other costs that would require the same approval as our remuneration.
- Details of significant expenses paid are provided in the body of our report.
- Details of payments made to sub-contractors are shown in the body of our report.
- Information concerning our remuneration and disbursements incurred is provided in the body of the report.
- Information concerning the ability to challenge remuneration and expenses of the administration is provided in our report.
- All bank accounts are interest bearing.
- There are no foreign currency holdings.
- All amounts in the receipts and payments account are shown exclusive of any attributable VAT. Where VAT is not recoverable it is shown as irrecoverable VAT.

Notes and further information required by SIP 9

During the period covered by this report, the costs and expenses incurred have been necessary in order for the orderly wind down of the business and protect the Company's primary assets, being the properties and the WIP ledger.

II Time analysis for the period

Smith & Williamson LLP - From 11 September 2019 to 10 March 2020

Classification of work function	Hours					Total hours	Time cost	Average hourly rate
	Partner / Director	Associate director	Manager/ Assistant Manager	Other professional staff	Assistants & support staff			
Administration and planning								
Setting up records, reports, documents	1.00	0.00	10.75	7.35	0.00	19.10	£ 314.00	£27.18
Correspondence and internal communications	0.30	0.00	1.57	5.00	1.50	8.37	£ 132.00	£15.77
Preparing, reviewing and processing documents, reports, correspondence, statements, etc. (not included)	5.00	0.00	6.27	18.44	0.00	29.71	£ 471.00	£15.85
Preparing and finalising tax returns, VAT, PAYE, NIC, company tax returns, etc. (not included)	0.00	0.00	0.00	2.75	0.00	2.75	£ 44.00	£15.99
Preparing and reviewing correspondence, reports, etc.	0.00	0.00	0.00	15.80	0.00	15.80	£ 257.00	£16.27
Business development and marketing	0.00	0.00	0.00	14.00	0.00	14.00	£ 224.00	£16.00
Other administrative and planning	0.00	0.00	1.67	0.00	0.00	1.67	£ 265.00	£158.15
Finance Administration and planning	0.00	0.00	1.40	0.00	0.00	1.40	£ 224.00	£160.00
Other financial and administrative matters	1.27	0.00	0.00	0.00	0.00	1.27	£ 201.40	£157.79
Other	0.00	0.00	21.55	0.00	0.00	21.55	£ 345.00	£160.00
Investigations								
Evaluating, reviewing and continuing to review	0.00	0.00	0.00	6.77	0.00	6.77	£ 108.00	£160.00
Enquiries of advisers	0.00	0.00	0.00	0.40	0.00	0.40	£ 64.00	£160.00
Realisation of assets								
Researching property, land and buildings	1.00	0.00	18.55	29.25	0.00	48.80	£ 785.00	£16.09
Forfeiture of the property interest	0.00	0.00	0.00	0.27	0.00	0.27	£ 43.00	£160.00
Debtors subject to insolvency proceedings	0.00	0.00	0.00	3.50	0.00	3.50	£ 560.00	£160.00
Debtors of financial institutions assigned debtors	13.50	0.00	0.00	6.50	0.00	19.80	£ 317.00	£160.00
Other financial matters	0.00	0.00	0.00	0.27	0.00	0.27	£ 43.00	£160.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	£ 0.00	£160.00
Creditors								
Forfeiture of the property interest	0.45	0.00	10.60	57.35	0.00	68.40	£ 1107.00	£16.18
Forfeiture of the property interest	0.00	0.00	0.00	1.00	0.00	1.00	£ 160.00	£160.00
Employees & pensioners' contributions (SWCOT)	0.00	0.00	0.00	0.00	0.00	0.00	£ 0.00	£160.00
Unsecured creditors	0.00	0.00	0.00	0.45	0.00	0.45	£ 72.00	£160.00
Creditors' claims	0.00	0.00	0.00	1.70	0.00	1.70	£ 272.00	£160.00
Other financial matters and expenses	0.00	0.00	0.00	0.60	0.00	0.60	£ 96.00	£160.00
Case-Specific 3, AML/Compliance								
AML/Compliance (not included)	0.00	0.00	0.00	0.00	0.00	0.00	£ 0.00	£16.00
Forensics								
Forensics	0.00	0.00	0.00	24.00	0.00	24.00	£ 384.00	£16.00
Total	26.75	0.00	92.05	291.00	1.50	411.30	£108,871.80	£264.70

Explanation of major work activities undertaken

Administration and Planning

This section of the analysis encompasses the costs which the administrators and their staff have incurred in order to comply with their statutory obligations, internal compliance requirements, and all tax matters. This work includes the following:

- Dealing with routine correspondence.
- Dealing with agents on general instruction matters (i.e. not relating to the sale of assets or correspondence with advisers on investigation matters).
- Maintaining physical case files and electronic case details on IPS (case management software).
- Case reviews (including 6 month reviews).
- Case bordereau (regulatory returns) and reviews.
- Case planning; administration; and general case progression, including adjustments in joint administrators' strategy.
- Preparing reports to stakeholders.
- Maintaining and managing the administrators' cash book and bank accounts.
- Ensuring statutory lodgements and tax lodgements obligations are met.
- Dealing with internal Smith & Williamson LLP compliance requirements.

Investigations

Investigations include work carried out because of the obligations placed upon us to investigate the Company's affairs. The work undertaken is that described in SIP2 and SIP4 which govern both the investigations of the Company's failure and examine the conduct of the directors. It will also include investigations into further recoveries to the estate. This work includes the following:

- Investigating the reasons for the failure of the Company (including enquiries with the Company's directors and possible interviews of key stakeholders).
- Review and investigation of stakeholders' complaints and responses into the failing of the business and actions of Company's directors.
- Review and storage of relevant books and records.
- Preparing a return/report pursuant to the Company Directors' Disqualification Act.
- Discussions and correspondence with relevant personnel, agents and regulators, including but not limited to the Solicitors Regulation Authority.

Realisation of assets

This section is in relation to the realisation of the remaining assets of the Company.

- Discussions with our legal advisors in respect of the sales documentation relating to the properties.
- Liaising with Recovery First in respect of the ongoing collections process.
- Monitoring of book debt collections.
- Insurance of the assets and claims under policies if required.
- Exploring possible tax asset recoveries, such as VAT bad debt relief or terminal loss relief claims.

Creditors

Work under this section will include correspondence, and other contact, with the creditors of the Company. The work in this regard includes the following:

- Dealing with creditor correspondence via email and telephone.
- Preparing reports.
- Maintaining creditors' information on an insolvency database.
- Dealing with employee claims and liaising with Job Centre, Redundancy Payments Services etc.
- Adjudicating creditors' claims.
- Making distributions to various categories of creditors.

Leonard Curtis Recovery Limited - From 11 September 2019 to 10 March 2020

Seth Lovis & Co Solicitors Limited (In Administration)

Summary of Administrators' Time Costs from 11 September 2019 to 10 March 2020

	Director		Senior Manager		Manager 2		Administrator 1		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory and Review	-	-	18	801.00	42	1,449.00	-	-	-	-	60	2,250.00	375.00
Receipts and Payments	-	-	-	-	-	-	-	-	3	49.50	3	49.50	165.00
Assets	-	-	20	890.00	-	-	-	-	-	-	20	890.00	445.00
Liabilities	-	-	23	1,023.50	25	862.50	-	-	-	-	48	1,886.00	392.92
Debenture Holder	-	-	9	400.50	-	-	-	-	-	-	9	400.50	445.00
General Administration	-	-	24	1,068.00	-	-	-	-	-	-	24	1,068.00	445.00
Total	-	-	94	4,183.00	67	2,311.50	-	-	3	49.50	164	6,544.00	
Average Hourly Rate (£)	-	-		445.00		345.00	-	-		165.00		399.02	

Statutory and Review

- An internal handover review has been carried out for changes in staff dealing with the matter;
- Case management reviews. These are carried out periodically throughout the case to ensure that all statutory and best practice matters have been dealt with accordingly; and
- Liaising with Smith & Williamson with regards to the progress and conduct of the Administration.

Receipts and Payments

- Liaising with Smith & Williamson with regards to invoices received.

Assets

- Liaising with VFS and Recovery First with regards to WIP realisations; and
- Liaising with Smith & Williamson in relation to the sale of the property.

Liabilities

- Dealing with correspondence received from unsecured creditors to this office;
- Liaising with and dealing with queries from the secured creditors; and
- Reviewing the Joint Administrators First Progress Report to Creditors.

Debenture Holder

- Time has been spent liaising with the secured creditors with regards the progress of the Administration.

General Administration

- Maintaining the Administrators records; and
- Dealing with general correspondence.

III Cumulative time analysis

Smith & Williamson LLP - From 11 March 2019 to 10 March 2020

Classification of work function	Hours					Total hours	Time cost	Average hourly rate
	Partner / Director	Associate director	Manager/ Assistant Manager	Other professional staff	Assistants & support staff			
Administration and planning								
Statutory returns, reports & notices	1.00	0.00	22.90	22.80	0.00	46.70	12,512.00	267.90
Initial part of proceedings (other applications, including creditors)	0.00	0.00	1.00	1.00	0.00	2.00	515.00	257.50
Carrying the general, including budgeting	0.80	0.00	4.00	10.00	4.00	18.80	5,228.00	278.09
Job planning, review and preparation of materials for the planning meeting (including funding)	9.00	0.00	5.00	32.00	0.00	46.00	12,094.00	262.91
First appointment (location, cost, A&P, etc.) (Court fees that are not being recovered)	0.20	0.00	0.20	2.00	0.00	2.40	615.00	256.25
Protection of company records, documents etc.	0.00	0.00	4.00	20.00	0.00	24.00	6,180.00	257.50
Preparing financial statements for the court	0.00	0.00	8.00	20.00	0.00	28.00	7,180.00	256.43
Filing bills and other documents in court	0.00	0.00	1.00	0.00	0.00	1.00	227.00	227.00
Assess and address queries	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Filing administration and planning	0.00	0.00	1.00	0.00	0.00	1.00	260.00	260.00
Direct/Manager review, approval and signing	2.00	0.00	0.00	0.00	0.00	2.00	515.00	257.50
Other	0.00	0.00	21.00	1.00	0.00	22.00	5,720.00	260.00
Investigations								
Director's correspondence, document questionnaire	0.00	0.00	1.00	0.00	0.00	1.00	260.00	260.00
Statutory books and accounting records review	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigation of legal claims	0.00	0.00	2.00	0.00	0.00	2.00	515.00	257.50
SIP2 and SIP4 applications (CD&R forms)	0.00	0.00	2.00	2.00	0.00	4.00	1,060.00	265.00
Enquiries of creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of assets								
Fixed charge (property, land & buildings)	14.00	0.00	40.00	80.00	0.00	134.00	34,890.00	259.99
Fixed charge (other (e.g. chattels, motor cars))	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Debtors subject to invoice discounting financing	0.00	0.00	5.00	22.00	0.00	27.00	7,070.00	261.85
Debtors not financed (including non-indebted debtors)	1.00	0.00	5.00	40.00	0.00	46.00	12,094.00	262.91
Other chattels	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sale of business as a whole (including sale of the legal entity, assets etc.)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Completion of work in progress	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Working with agents/agent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Direct/Manager review, approval and signing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors								
Fixed charge creditor	0.00	0.00	17.00	40.00	0.00	57.00	14,865.00	260.95
Floating charge creditors	2.00	0.00	0.00	0.00	0.00	2.00	515.00	257.50
PPG and E&P claims (tribunal)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employees (personal matters, including costs of Secretary)	0.00	0.00	0.00	17.00	0.00	17.00	4,415.00	259.71
Contractual PPGs etc.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unsecured creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditor's committee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distributions for debts and creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case-Specific 3, AML/Compliance								
AML (risk assessment)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Forensics								
Forensic	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	95.20	19.50	269.65	670.15	40.25	1,094.75	£285,926.55	£261.18

Leonard Curtis Recovery Limited - From 11 March 2019 to 10 March 2020

Seth Lovis & Co Solicitors Limited
(In Administration)

Summary of Administrators' Time Costs from 11 March 2019 to 10 March 2020

	Director		Senior Manager		Manager 1		Manager 2		Administrator 1		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory and Review	144	6,480.00	28	1,211.00	30	1,185.00	42	1,449.00	-	-	-	-	244	10,325.00	423.16
Receipts and Payments	-	-	-	-	5	182.50	-	-	-	-	3	49.50	8	232.00	290.00
Insurance	-	-	7	287.00	-	-	-	-	-	-	-	-	7	287.00	410.00
Assets	75	3,375.00	20	890.00	1	36.50	-	-	-	-	-	-	96	4,301.50	448.07
Liabilities	26	1,170.00	23	1,023.50	-	-	25	862.50	-	-	-	-	74	3,056.00	412.97
Debenture Holder	-	-	19	810.50	-	-	-	-	-	-	-	-	19	810.50	426.58
General Administration	-	-	28	1,239.00	33	1,204.50	-	-	-	-	4	60.00	65	2,503.50	385.15
Appointment	-	-	-	-	5	182.50	-	-	-	-	-	-	5	182.50	365.00
Post Appointment Creds Mtngs	-	-	25	1,025.00	-	-	-	-	-	-	-	-	25	1,025.00	410.00
Total	245	11,025.00	150	6,486.00	74	2,791.00	67	2,311.50	-	-	7	109.50	543	22,723.00	

IV Staffing, charging, subcontractor and adviser policies and charge out rates

Introduction

Detailed below are:

- Smith & Williamson LLP's policies in relation to:
 - Staff allocation and the use of subcontractors
 - Professional advisers
 - Disbursement recovery
- Smith & Williamson LLP's current charge out rates

Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a partner and a partner or director or associate director as joint office holders, a manager; and an administrator or assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level.

We may use subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

Details of any subcontractors' services utilised in the period covered by this report are set out in the body of this report.

Use of professional advisers

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

- The industry and/or practice area expertise required to perform the required work.
- The complexity and nature of the assignment.
- The availability of resources to meet the critical deadlines in the case.
- The charge out rates or fee structures that would be applicable to the assignment.
- The extent to which we believe that the advisers in question can add value to the assignment.

Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include

shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

Since 7 July 2012 Smith & Williamson LLP's policy is to recover only one type of Category 2 disbursement, namely business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of Category 2 disbursements.

Details of any Category 2 disbursements incurred and/or recovered in the period covered by this report are set out in the body of this report.

Charge out rates

The rates applicable to this appointment are set out below. Changes to the charge out rates during the period of this report were applied with effect from 1 July 2019 and are subject to an annual review.

Smith & Williamson LLP Restructuring & Recovery Services Charge out rates as at 1 July 2018	London office £/hr	Regional offices £/hr
Partner / Director	450-520	360-380
Associate Director	420	290-320
Managers	250-365	225-310
Other professional staff	170-320	140-185
Support & secretarial staff	90	60-140

Smith & Williamson LLP Restructuring & Recovery Services Charge out rates as at 1 July 2019	London office £/hr	Regional offices £/hr
Partner / Director	470-540	376-432
Associate Director	440	352
Managers	270-380	216-304
Other professional staff	180-380	144-192
Support & secretarial staff	100	80

Notes

1. Time is recorded in units representing 3 minutes or multiples thereof.
2. It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual cases.

3. The firm's cashiering function is centralised and London rates apply. The cashiering function time is incorporated within "Other professional staff" rates.

Smith & Williamson LLP	London office
Corporate Tax	£/hr
Charge out rates as at 1 July 2019	
Partner / Director	575-690
Associate Director	460
Managers	245-400
Other professional staff	115-210
Support & secretarial staff	60

Smith & Williamson LLP	London office
Forensics	£/hr
Charge out rates as at 1 July 2019	
Partner / Director	470
Associate Director	-
Managers	320-410
Other professional staff	240
Support & secretarial staff	-

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

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

Staff Allocation and Charge Out Rates

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

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

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

6 Jan 2014 onwards	Standard	Complex	1 Aug 2019 onwards	Standard	Complex
	£	£		£	£
Director	450	562	Director	525	656
Senior Manager	410	512	Senior Manager	445	556
Manager 1	365	456	Manager 1	395	494
Manager 2	320	400	Manager 2	345	431
Administrator 1	260	325	Administrator 1	280	350
Administrator 2	230	287	Administrator 2	250	313
Administrator 3	210	262	Administrator 3	230	288
Administrator 4	150	187	Administrator 4	165	206
Support	0	0	Support	0	0

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

Subcontractors

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

Professional Advisors

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

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

Expenses

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

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

Type	Description	Amount																								
AML checks	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per search																								
Bond / Bordereau fee	Insurance bond to protect the insolvent entity against and losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting	Hosting of documents for creditors/shareholders. Cost per upload, plus VAT	<table><tr><th>Type</th><th>First 100</th><th>Every addtl 10</th></tr><tr><td>ADM</td><td>£14.00</td><td>£1.40</td></tr><tr><td>CVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>MVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CPL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CVA</td><td>£10.00</td><td>£1.00</td></tr><tr><td>BKY</td><td>£10.00</td><td>£1.00</td></tr><tr><td>IVA</td><td colspan="2">£10 p.a. or £25 for life of case</td></tr></table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
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Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £204.00 3-6 months £303.00 6-12 months £490.00																								
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case																								
Statutory advertising	Advertising of appointment, notice of meetings etc.																									

	<ul style="list-style-type: none"> - London Gazette - Other 	£85.95 plus VAT per advert Dependent upon advert and publication
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges

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

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

Disbursements

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

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

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

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

V - Leonard Curtis Recovery Limited - Privacy Notice

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

www.smithandwilliamson.com

Principal offices: London, Belfast, Birmingham, Bristol, Cheltenham, Dublin, Glasgow, Guildford, Jersey, Salisbury and Southampton.

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