

The Insolvency Act 1986

Administrator's progress report

2.24B

Name of Company PCJ SOLICITORS LIMITED	Company number 05964692
In the Manchester District Registry of the High Court <small>[full name of court]</small>	Court case number 3191 of 2015


(a) Insert full name(s) and address(es) of administrator(s)

I/We (a) Kevin Murphy & Julien Irving of Leonard Curtis, Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ

administrator(s) of the above company attach a progress report for the period

(b) Insert dates

from (b) 19 November 2015	to (b) 18 May 2016
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Signed 
Joint / Administrator(s)

Dated 17 June 2016

Contact Details

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Leonard Curtis	
Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ	
Ref KM/35	Tel 0161 831 9999
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff



A04 18/06/2016 #448
COMPANIES HOUSE



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**PCJ SOLICITORS LIMITED
(IN ADMINISTRATION)**

Registered Number: 05964692
Court Ref: 3191 of 2015
Manchester District Registry of the High Court

**Joint Administrators' first progress report in accordance
with Rule 2.47 of the Insolvency Rules 1986**

**Report period
19 November 2015 to 18 May 2016**

17 June 2016

Leonard Curtis
Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ
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Ref M/35/KM/NP818K/1010

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**STRICTLY PRIVATE AND CONFIDENTIAL
NOT FOR PUBLICATION**

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

1 INTRODUCTION

1 1 This report has been produced in accordance with Rule 2.47 of the Insolvency Rules 1986 to provide creditors with an update on the progress of the administration of PCJ Solicitors Limited ("the Company") for the period from 19 November 2015 to 18 May 2016. This is the Joint Administrators' first progress report to creditors.

2 STATUTORY INFORMATION

2 1 Kevin Murphy and Julien Irving were appointed as Joint Administrators of PCJ Solicitors Limited in the jurisdiction of Manchester District Registry of the High Court, number 3191 of 2015 on 19 November 2015. The administration appointment was made by the Directors.

2 2 The administration is being handled by the Manchester office of Leonard Curtis, which is situated at Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ.

2 3 The principal trading address of the Company was 2 Moorfields, Liverpool, L2 2BS. The business traded under its registered name.

2 4 The registered office address of the Company at the date of the appointment of Administrators was Il Palazzo, Water Street, Liverpool, L2 0RD. Following the appointment, this was changed to Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ. The registered number of the Company is 05964692.

2 5 For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended), it should be noted that during the period in which the Administration Order is in force, any act or function required or authorised under any enactment to be done by the Administrator 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' proposals for achieving one of the three statutory purposes of Administration.

3 2 The Proposals have not yet been formally approved as a request was received from a creditor for a meeting of creditors to take place, prior to the date for deemed approval. No deposit for the costs of convening the meeting has yet been received and we are in correspondence with the creditors' legal advisor to agree the position such that the proposals can be deemed approved in due course or a formal meeting of creditors convened.

3 3 The objective of the administration is to realise property in order to make a distribution to one or more secured or preferential creditors.

- 3 4 This objective is likely to be achieved as it is anticipated that the secured creditors, Jason Lee ("JL") and Dominic Lloyd ("DL") will receive distributions under their floating charges and that preferential creditors will be repaid in full

4 PROGRESS OF THE ADMINISTRATION

- 4 1 Attached at Appendix B is the Joint Administrators' receipts and payments account for the period from 19 November 2015 to 18 May 2016

4 2 Profit Costs from Work in Progress

As detailed in our previous report, approximately 2,000 cases were transferred to a number of legal practices, with the vast majority being transferred to one practice ("the Primary Purchaser"), in April 2015 made up of the following

- c1,500 low level cases with estimated fees of c£40 per case payable to the Company, and
- c500 high value cases where fees should be c£1k or above

To date, the sum of £93,349 has been received by the Joint Administrators in respect of the transferred cases

A sum of £38,150 has also been received from other cases that transferred to other solicitor firms or had settled prior to our appointment with the funds not having been received

It should also be noted that, as detailed, at paragraph 4 4 below, a sum of £17,655 has also been received, which may form part of work in progress realisations. The Joint Administrators are currently awaiting information from the directors before allocating these sums to the appropriate nominal accounts

The Joint Administrators, with the assistance of management, are continuing to monitor the realisation of the work in progress, however, the final level of collections are uncertain at this time. Further updates will be provided in later reports

4 3 Balance at Bank

The Company held a number of accounts with HSBC Bank plc ("HSBC")

As at the date of Administration, there was a credit balance of £11,163.20 in the Company's office account and this sum has subsequently been forwarded to the Joint Administrators. This differs slightly from the figure detailed in the Joint Administrators' Proposals report due to a payment out of the account not previously accounted for

4 4 Unallocated Funds

The Joint Administrators are currently holding the sum of £17,655 which represents £4,024 forwarded from HSBC and £13,631 received directly by the Joint Administrators from a number of insurance companies in respect of settled cases. The unallocated funds detailed in our last report have since been allocated

The Joint Administrators are currently awaiting information from the directors before allocating these sums to the appropriate nominal accounts

4 5 HMRC Refund

As detailed in our previous report, the winding up petition brought against the Company by HMRC related to unpaid tax totalling c£493k

The Company had submitted a terminal loss relief claim for c£397k which resulted in all liabilities owed to HMRC save for an unpaid VAT debt of c£96k being extinguished. The Company also had a corporation tax credit of c£266k from the 2012 and 2013 accounting periods. Once the VAT debt was deducted from the corporation tax credit, a refund in the sum of c£170k was due to the Company.

It is understood that payment has been made by HMRC to a director, prior to the date of Administration on behalf of the Company, as the Company's bank account was frozen as a result of the HMRC petition. We have sought clarification of the position from HMRC and will report further in our next report.

4.6 Monies received in error

A sum of £37,897 has been received as part of the monies transferred by HSBC however these funds relate to un-presented cheques in client account at the date of our appointment. These funds will therefore be paid to the respective disbursement creditors in due course.

4.7 Disbursements recovered

A sum of £9,115 has been recovered in respect of disbursements previously paid for by the Company.

4.8 Disbursements to pay out

A sum totalling £44,782 has been received from case settlements that relates to disbursements recovered which need to be paid to the disbursement creditors for fees including barristers fees, medical reports, court fees and similar.

4.9 Electricity Refund

A refund in the sum of £532.14 has been received in respect of electricity paid for in advance.

4.10 Bank Interest

A sum of £37.73 has been received to date.

5 ASSETS STILL TO BE REALISED

5.1 The assets still to be realised in this matter are future profit cost realisations detailed at 4.2 and the outcome of the HMRC refund position detailed at 4.5.

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 That assessment did not identify any possible further realisations. In addition, the Joint Administrators concluded that no further investigations were required. If, however, 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 DISBURSEMENTS

Pre-Administration Costs

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

Charged by	Services provided	Total amount charged
		£
Leonard Curtis	Financial Assessment, Reviewing security documentation and Insolvency Advice	£13,831
Bermans	Reviewing security documentation, preparing appointment documentation, corresponding with Accident Exchange's solicitors	£3,690
TOTAL		<u>17,521</u>

A sum of £10,000 has been paid in respect of Leonard Curtis' costs. Bermans' costs are still outstanding. The remaining costs will be paid in due course.

Joint Administrators' Remuneration

7.2 On 28 January 2016, the secured creditors agreed that the basis of the Joint Administrators' remuneration be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration for an amount not initially exceeding £85,607. Approval was also received to draw category 2 disbursements as detailed at Appendix D.

7.3 The time charged by the Joint Administrators for the period of this report amounts to £99,650.00. This represents 338.3 hours at an average rate of £294.56 per hour. Attached at Appendix C is a time analysis which provides details of the activity costs incurred by staff grade during this period, along with a description of the work done by the Joint Administrators and their staff in respect of which the time has been charged. Additional approval will be sought in due course from the secured and preferential creditors in respect of the time costs incurred in excess of the initial fees estimate previously provided and approved. No fees in excess of the initial fees estimate will be drawn until such approval has been obtained. Further guidance may be found in "A Creditors' Guide to Administrators' Fees" which may be downloaded from <http://www.leonardcurtis.co.uk/resources/creditorsguides>. If you would prefer this to be sent to you in hard copy please contact Katy McAndrew of this office on 0161 831 9999.

7.4 No Administrators' fees have been drawn to date in respect of these time costs.

Joint Administrators Disbursements

7.5 The following Category 1 and Category 2 disbursements have been incurred on the case since appointment.

Category 1 disbursements

Charged by	Services provided	Total amount pd by LC £	Amount recovered from case £	Amount still to be recovered from case £
Leonard Curtis staff	Parking	8 34	8 34	-
Royal Mail	Mail redirection	320 00	320 00	-
Courts Advertising	Statutory Advertising	78 75	78 75	-
Auctus	Storage	642 57	-	642 57
Pelstar	Software Licence	87 00	87 00	-
Business Tax Centre	Client Identification	10 00	10 00	-
AUA IRS	Bordereau Fee	260 00	260 00	-
Creditor Web Pelstar	Report Hosting	14 00	14 00	-

Category 2 disbursements

Charged by	Services provided	Total amount pd by LC £	Amount recovered from case £	Amount still to be recovered from case £
Leonard Curtis staff	Mileage @45p / mile	110 15	101 70	8 45

Expenses of the Administration

7 6 The Joint Administrators have also incurred expenses during the period of this report. These expenses are detailed in the table below, which also indicates whether these expenses have yet been paid from the case funds

Nature of expenses	By whom provided	Amount incurred this period £	Total amount incurred to date £	Amount paid £	Amount unpaid £
Mail redirection	Royal Mail	335 00	335 00	335 00	-
Professional fees	EK Employment Law	50 00	50 00	50 00	-
Bank charges	HSBC Bank	31 77	31 77	31 77	-
Legal fees & expenses	Bermans	6,510 00	6,510 00	-	6,510 00
Agents' fees & expenses	Cerberus Asset Management	4,795 00	4,795 00	-	4,795 00
TOTAL		11,721 00	11,721 00	416 77	11,305 00

7 7 Attached at Appendix D is additional information in relation to the firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade

7 8 Unsecured creditors whose debts amount to at least 5% of the total value of the unsecured claims, or any secured creditor, may request further information regarding remuneration or expenses (other than pre administration costs) by submitting their written requests before 11 July 2016

7.9 In addition, unsecured creditors whose debts amount to at least 10% of the total value of the unsecured claims, or any secured creditor, may apply to court, if they believe the remuneration charged or expenses incurred by the Joint Administrators to be excessive or the basis fixed for the Joint Administrators' remuneration to be inappropriate. Any application should be made within 8 weeks of receipt of this report.

8 ESTIMATED OUTCOME FOR CREDITORS

8.1 Secured Creditors

JL and DL

JL holds security by way of an all assets debenture incorporating a fixed and floating charge over the Company's assets created on 16 November 2010. DL holds security by way of an all assets debenture incorporating a fixed and floating charge over the Company's assets created on 16 November 2010.

According to the Company's records, the sums of £285,382 and £444,857 remained outstanding to JL and DL respectively at the date of Administration.

It is anticipated that JL and DL will receive a distribution under their floating charges although the level of distribution is subject to future profit costs from WIP realisations, costs of the Administration, preferential creditor claims, and the prescribed part for unsecured creditors.

8.2 Preferential Claims

The only categories of claims which have preferential status are those of employees in respect of wages up to £800 and accrued holiday pay.

Preferential claims are estimated to total £8,466 which should be discharged in full. This represents one former employee's unpaid wages claim of £800 and accrued holiday entitlement totalling £7,666.

8.3 Prescribed Part

The Insolvency Act 1986 provides that, where a company has created a floating charge after 15 September 2003, the administrator must make a *prescribed part* of the company's net property available to the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims.

The method of calculating the prescribed part is given below.

Where the net property does not exceed £10,000

50% of that property

Where the net property exceeds £10,000

50% of the first £10,000, plus 20% of the property which exceeds £10,000, up to a maximum prescribed part of £600,000.

Based upon the information currently available, it is estimated that there will be a prescribed part fund available in this case. In instances where there will be no dividend to unsecured creditors, other than via the prescribed part, as is the case here, the prescribed part fund will be distributed at the appropriate time by the Joint Administrators.

8.4 Unsecured Non-Preferential Claims

At present, it is considered unlikely that there will be sufficient funds available to enable a distribution to unsecured creditors, other than via the prescribed part. This statement is being made in accordance with paragraph 52(1)(b) of Schedule B1 to the Act.

If you have not already done so, please submit details of your claim to my office. A statement of claim form is attached at Appendix E.

9 EXTENSIONS TO THE ADMINISTRATION

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

9.2 In certain circumstances it may be necessary to extend the Administrators' term of office. In the circumstances of this case, this may be done for a specified period not exceeding twelve months with the consent of

- each secured creditor of the Company, and
- preferential creditors, whose debts amount to more than 50% of the preferential debts of the Company, disregarding debts of any creditor who does not respond to an invitation to give or withhold consent.

9.3 The appropriate body of creditors will be contacted in due course should an extension be required.

10 NEXT REPORT

10.1 The Joint Administrators are required to provide a progress report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.

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

for and on behalf of
PCJ SOLICITORS LIMITED


KEVIN MURPHY
JOINT ADMINISTRATOR

Licensed in the UK by the Institute of Chartered Accountants in England and Wales

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' PROPOSALS

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

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM
19 NOVEMBER 2015 TO 18 MAY 2016**

	Estimated to realise £	This period £	Cumulative £
RECEIPTS			
Cash at Bank	11,163 20	11,163 20	11,163 20
Profit Costs/Work in Progress	560,000 00	131,499 18	130,775 44
Tax Refund	170,000 00	-	-
Unallocated Funds	-	17,654 67	17,654 67
Disbursements Recovered	-	9,114 59	9,114 59
Electricity Refund	-	532 14	532 14
Bank Interest	-	37 73	37 73
Disbursements to pay out	-	44,781 92	44,781 92
Monies received in error	-	37,896 72	37,896 72
TOTAL	<u>741,163 20</u>	<u>252,680 15</u>	<u>251,956 41</u>
PAYMENTS			
Administrators' pre-appointment fee		10,000 00	10,000 00
Disbursements paid		150 00	150 00
Mail redirection		335 00	335 00
Other professional fees		50 00	50 00
Category 1 disbursements		778 09	778 09
Category 2 disbursements		101 70	101 70
Bank interest & charges		208 80	208 80
TOTAL		<u>(11,623 59)</u>	<u>(11,623 59)</u>
BALANCE IN HAND			<u>241,056 56</u>

SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD
FROM 19 NOVEMBER 2015 TO 18 MAY 2016

	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 & Review	6	270.00	2	82.00	53	1,636.00	30	780.00	-	-	91	2,828.00	310.77
Receipts & Payments	-	-	-	-	13	416.00	-	-	12	180.00	25	596.00	238.40
Insurance	12	540.00	-	-	34	1,088.00	-	-	-	-	46	1,628.00	353.91
Assets	234	10,530.00	-	-	267	8,544.00	-	-	-	-	501	19,074.00	380.72
Liabilities	247	11,115.00	-	-	231	7,392.00	-	-	124	1,860.00	602	20,367.00	338.32
Landlords	-	-	-	-	5	160.00	-	-	-	-	5	160.00	320.00
Debenture Holder	108	4,860.00	-	-	10	320.00	-	-	-	-	118	5,180.00	438.98
General Administration	50	2,250.00	-	-	115	3,680.00	-	-	1,198	17,970.00	1,363	23,900.00	175.35
Appointment	7	315.00	-	-	15	480.00	-	-	-	-	22	795.00	361.36
Planning & Strategy	30	1,350.00	-	-	57	1,824.00	-	-	-	-	87	3,174.00	364.83
Post Appointment Credits Mings	90	4,050.00	-	-	45	1,440.00	38	988.00	-	-	173	6,478.00	374.45
Investigations	29	1,305.00	-	-	10	320.00	-	-	5	75.00	44	1,700.00	386.36
Case Specific	21	945.00	-	-	-	-	-	-	-	-	21	945.00	450.00
LEGAL SERVICES - Preparation	165	7,425.00	-	-	-	-	-	-	-	-	165	7,425.00	450.00
LEGAL SERVICES - Attendance	60	2,700.00	-	-	-	-	-	-	-	-	60	2,700.00	450.00
LEGAL SERVICES - Travel	60	2,700.00	-	-	-	-	-	-	-	-	60	2,700.00	450.00
Total	1,119	50,355.00	2	82.00	855	27,360.00	68	1,768.00	1,339	20,085.00	3,383	99,650.00	
Average Hourly Rate (£)		450.00		410.00		320.00		260.00		150.00		294.56	

DESCRIPTION OF TIME SPENT BY CATEGORY

1 Statutory & Review

Time was spent by the Joint Administrators' staff carrying out an initial assessment of the case following the Administration and undertaking regular views to ensure all matters were being progressed

2. Receipts & Payments

Time has been spent posting up the various receipts, discharging the professional costs of administration and paying disbursements

3. Insurance

Time has been spent corresponding with Accident Exchange ("AE") and the Company's insurance brokers and underwriters in respect of various claims brought by AE against the Company

Time was also spent arranging appropriate bond cover for the Joint Administrators and dealing with negligence claims received

4. Assets

Significant time has been spent by the Joint Administrators and their staff attending a number of meetings with the directors in order to progress matters with regards the Company's work in progress transferred prior to Administration

A large portion of time has been spent allocating the funds received on the system and reviewing any third party costs which may be payable from funds received by the estate for disbursements

Time has been spent liaising with the Primary Purchaser and reviewing monthly reports forwarded by them and allocating the funds received

Time has been spent liaising with appointed agents, Charles Taylor, with regards to the return of third party assets to various finance companies

Time has been spent liaising with HSBC with regards funds held in the Company's bank accounts and arranging for these to be transferred to the Administration estate

5. Liabilities

Significant time has been spent liaising with AE and their solicitors with regards to their claims against the Company, as detailed in our earlier report, and attending meetings and conference calls with the director's in relation to this

Time has been spent progressing one former employee's claim against the Company for unpaid wages, holiday pay and notice pay

Time has been spent dealing with creditor queries by email, post and telephone and logging claims received

6 Landlords

Time was incurred liaising with the landlord of the former premises

7 Debenture holder

Time has been spent carrying out a review of the debentures granted by the Company

8. General Administration

This includes setting up the case file and engaging in general correspondence

This has involved the completion of appointment documents and notifying creditors and all relevant parties of our appointment as Administrators in line with statutory requirements. This also includes time spent dealing with various other appointment formalities

Time has been spent liaising with Charles Taylor with regards to the collection of Company records from various sites and then reviewing and preparing an inventory of the records held

Mail re-directions were also put in place to ensure that cheques, in respect of costs and disbursements, sent in the post were received

9. Appointment

Time posted here includes dealing with various appointment formalities

10. Planning & Strategy

The Joint Administrators have held regular internal meetings to discuss ongoing strategy regarding the realisation of the Company's assets

Time posted here includes time spent attending meetings with the Company's directors in order to progress all salient issues

11. Post appointment creditors meeting

Time was spent preparing and reviewing the Joint Administrators' Report and Statement of Proposals circulated to all known creditors and dealing with a request for a meeting

12. Investigations

Initial investigations into the company records and director's conduct were undertaken in accordance with Statement of Insolvency Practice 2

13. Case Specific

This includes time spent notifying the Solicitors Regulation Authority and the Financial Conduct Authority of the Administration

14. Legal Services – Preparation

Time was incurred by our in house solicitor reviewing the papers in relation to the injunction and claim from AE and liaising with AE's legal advisors. Time was also spent advising on the position in relation to profit costs received, disbursements outstanding and liaising with the costs draftsman

15. Legal Services – Attendance

This involved meetings by our in house solicitor with the joint administrator to advise on the position in relation to the injunction order issued by AE and the required steps and other issues raised by AE's legal advisors. General advice was also given on correspondence received from lawyers in relation to specific matters and costs

16. Legal Services – Travel

This involved time travelling to meetings with the director's

ADDITIONAL INFORMATION IN RELATION TO THE POLICY OF LEONARD CURTIS REGARDING FEES AND DISBURSEMENTS

The following information relating to the policy of Leonard Curtis is considered to be relevant to creditors

Staff Allocation and Support Staff

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 of the secured creditors, a creditors' committee or creditors generally, 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 arising in the appointment, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below.

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

	Standard £
Director	450
Senior Manager	410
Manager 1	365
Manager 2	320
Administrator 1	260
Administrator 2	230
Administrator 3	210
Administrator 4	150
Support	0

Subcontractors

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

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.

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, 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)	£66.09 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.

STATEMENT OF CLAIM FORM

Date of administration order: 19 November 2015

Name of creditor: _____

Address of creditor. _____

Gross amount of claim:
(ie including VAT) _____

Amount of VAT _____

Details of any document by
reference to which the debt can be
substantiated:
(eg invoices) _____

Particulars of how and when debt
incurred: _____

Particulars of any security held, the
value of the security and the date it
was given: _____

Signature of creditor or person
authorised to act on his behalf: _____

Name in BLOCK CAPITALS: _____

Position with or relation to creditor: _____