

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 05283178  
Company name in full Financial Solutions Midhurst Limited

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

### 2 Liquidator's name

Full forename(s) Michael  
Surname Fortune

### 3 Liquidator's address

Building name/number 1580 Parkway  
Street Solent Business Park  
Post town Whiteley, Fareham  
County/Region Hampshire  
Postcode PO15 7AG  
Country

### 4 Liquidator's name ①

Full forename(s) Carl  
Surname Faulds

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

### 5 Liquidator's address ②

Building name/number 1580 Parkway  
Street Solent Business Park  
Post town Whiteley, Fareham  
County/Region Hampshire  
Postcode PO15 7AG  
Country

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

LIQ03

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<b>6</b>	Period of progress report													
From date	d	1	m	7	y	0	9	d	2	m	0	y	2	1
To date	d	1	m	6	y	0	9	d	2	m	0	y	2	2
<b>7</b>	Progress report													
<input checked="" type="checkbox"/> The progress report is attached														
<b>8</b>	Sign and date													
Liquidator's signature	Signature X <i>[Signature]</i> X													
Signature date	d	1	m	4	y	1	1	d	2	m	0	y	2	2

LIQ03

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**Presenter information**

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

Contact name

David Manning

Company name

Portland Leonard Curtis

Address

1580 Parkway

Solent Business Park

Post town

Whiteley, Fareham

County/Region

Hampshire

Postcode

P O 1 5 7 A G

Country

DX

Telephone

01489 550440

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

Financial Solutions Midhurst Limited

In Liquidation

Joint Liquidators' Summary of Receipts and Payments (Accruals Basis)

Statement of Affairs £	From 17 September 2021 To 16 September 2022 £	From 17 September 2019 To 16 September 2022 £
<b>ASSET REALISATIONS</b>		
Uncertain Goodwill and sale of database	0.00	115,000.00
Uncertain Director's loan account	35,000.00	35,000.00
NIL Furniture and equipment	0.00	0.00
NIL Fixtures and fittings	0.00	0.00
Uncertain Claim against HDIFA	0.00	0.00
114.57 Debt due by FSML Wealth Ltd	10,000.00	10,000.00
Insurance claim	0.00	4,425.60
12,000.00 Cash in client account	0.00	12,000.00
Rent deposit	0.00	2,700.00
Bank interest gross	38.28	126.33
Refund of bank charges	0.00	174.76
	<hr/> 45,038.28	<hr/> 179,426.69
<b>COST OF REALISATIONS</b>		
Statement of affairs disbursements	0.00	111.33
Specific bond	0.00	460.00
Statement of affairs fee	0.00	7,774.00
Joint liquidators' remuneration	7,000.00	78,000.00
Joint liquidators' disbursements	0.00	116.42
Postworks charges	1.24	20.47
Legal fees	1,800.00	5,730.00
Corporation tax	13.30	13.30
Search fee	0.00	2.45
Advertising in London Gazette	0.00	240.60
	<hr/> (8,814.54)	<hr/> (92,468.57)
<b>UNSECURED CREDITORS</b>		
(79,223.64) Professional fees	0.00	0.00
(375.00) Companies House	0.00	0.00
(146,259.19) Connected company loan accounts	0.00	0.00
(9,123.75) HSBC Bank Plc	0.00	0.00
(69,944.50) Corporation Tax	0.00	0.00
(9,570.07) PAYE and National Insurance	0.00	0.00
(66,671.90) Premium Credit	0.00	0.00
(32,377.13) FCA	0.00	0.00
(1.00) Arch Insurance	0.00	0.00
	<hr/> 0.00	<hr/> 0.00
<b>SHAREHOLDERS</b>		
(25,002.00) Ordinary shareholders	0.00	0.00

Statement of Affairs £
<hr/>
(426,433.61)
<hr/>

From 17 September 2021 To 16 September 2022 £	From 17 September 2019 To 16 September 2022 £
<hr/>	<hr/>
0.00	0.00
<hr/>	<hr/>
36,223.74	86,958.12
<hr/>	<hr/>

REPRESENTED BY

VAT receivable	400.00
Current account - Lloyds Bank VCA	86,558.12
	<hr/>
	86,958.12
	<hr/>

Instructions were given to Lester Aldridge LLP to provide legal advice as set out in the narrative of the report. Prior to instruction we considered their expertise and agreed a fair, reasonable and proportionate cost structure based on time costs. We concluded that they were the best party to instruct. We are required to report whether anyone instructed is associated with us, there is no such association.

The funds held are in an interest bearing account.



Michael Robert Fortune  
Joint Liquidator



**LEONARD CURTIS**  
BUSINESS RESCUE & RECOVERY

## TO THE MEMBERS AND CREDITORS

CF/MF/SG/SIG/XCT/SH/CG/DJM/AJ/KD/F9164

11th November 2022

### Progress report to members and creditors

#### Financial Solutions Midhurst Limited in liquidation

Full registered name	Financial Solutions Midhurst Limited	Registered office	1580 Parkway Solent Business Park Whiteley, Fareham Hampshire PO15 7AG
Registered number	05283178	Trading address	16 Chilgrove Business Centre Chilgrove West Sussex PO18 9HU
Other trading names	None		
Name of liquidators and their licensing bodies	Michael Robert Fortune	Insolvency Practitioners Association	
	Carl Derek Faulds	Insolvency Practitioners Association	
Liquidators' address	1580 Parkway, Solent Business Park, Whiteley, Fareham, Hampshire, PO15 7AG E-mail creditors.south@leonardcurtis.co.uk		
Date of appointment	17th September 2019	Appointed by	Members and Creditors
Period of account	17 <sup>th</sup> September 2021 to 16 <sup>th</sup> September 2022		
Note – Michael Robert Fortune and Carl Derek Faulds were appointed as Joint Liquidators of the company on 17th September. At that stage the Joint Liquidators' firm was named Portland Business & Financial Solutions Limited. On 1 <sup>st</sup> November 2022 the company was renamed Leonard Curtis South Coast Limited and since that date has traded as Leonard Curtis. The Joint Liquidators and staff working on the case remain unchanged.			

We set out below an update on the progress of the liquidation.

Leonard Curtis South Coast Limited

Company Number 03830668 (England) Reg Office: Riverside House, Irwell Street, Manchester, M3 5EN

Carl Faulds, Mike Fortune, Nicola Layland and Stewart Goldsmith are licensed in the UK by the IPA.

David Smithson is licensed in the UK by the ICAEW.

All Insolvency Practitioners are bound by the Insolvency Code of Ethics. When appointed as Administrators to manage the affairs, business and property of a company in administration, the Administrators act as agent of the company without personal liability.

1580 Parkway  
Solent Business Park  
Whiteley  
Fareham  
Hampshire PO15 7AG

Discovery Court  
551-553 Wallisdown  
Road  
Poole  
Dorset BH12 5AG

Tel: 01489 550 440  
Fax: 01489 550 499

Tel: 01202 712 810

### **Progress to date in realising assets**

We enclose a summary of our receipts and payments account. We have provided comparisons of the realisations with the original director projections in the statement of affairs, which we hope you will find helpful.

#### **Goodwill and sale of database**

As reported previously, at the outset of the liquidation it was uncertain whether any realisable value could be achieved in respect of the goodwill within the company. Any value attributed to this mostly related to client relationships and a client database operated by the company. Prior to the commencement of the liquidation the director expressed an interest in purchasing the goodwill and the database, subject to his application with the FCA being approved.

The business and customer database had already been through a period of marketing prior to the liquidation. This included the director contacting a number of IFA firms to ascertain whether they would be willing to take on the client database and in turn pay a consideration for this opportunity. Unfortunately, as the company's regulatory issues were known within the industry the director found that many practices were not willing to take on the company's existing clients.

Following our appointment we reviewed the position and established that it was unlikely that a third party would be interested in purchasing the goodwill/database of the company. However, the parties that had been previously been contacted were again approached, together with a number of additional parties in the hope that an offer may be forthcoming.

We entered into significant correspondence and discussions with two interested parties, including entering into non-disclosure agreements and collating and sharing a number of documents to enable these parties to formulate an offer. We received two competing offers and whilst considering the offers put forward, the director, Richard Fenech, via his company FSML Marketing Limited, also put forward an offer for the client database.

It was concluded that the offer received from FSML Marketing Limited for £115,000 plus VAT on deferred terms would provide the best return for creditors. This took into account that the consideration for the other offers were based upon successful client retention numbers and there were no guarantees, without Mr Fenech's assistance, as to what level of clients would transfer across. The offer from FSML Marketing Limited was therefore accepted and we instructed solicitors, Lester Aldridge LLP, to prepare the necessary sale agreement. The sale completed on 23<sup>rd</sup> December 2019 and all funds have been received.

The purchaser was not advised by the liquidators in respect of this sale.

#### **Connected party loan accounts**

The statement of affairs for the liquidation detailed that the director had an outstanding directors loan account due to the company of £51,000. From a review of the company's financial records it was established that the outstanding loan account appeared to be greater than this sum. We therefore approached the director for his comments on the account balance and his proposals for repayment. The director advised that he does not have the means to repay the overdrawn loan account and we therefore requested that he provided us with details of his personal financial position in order that we can consider what further action should be taken.

In addition to this, following our appointment we undertook a review of the amount owed by a connected company, FSML Wealth Ltd, which was shown as owing the company £115 on the director's statement of affairs. Upon review it was clear that a full reconciliation of the connected company debt position would be required due to the number of transactions between the parties.

During the liquidation we have had significant correspondence with the director in respect of the overdrawn director's loan account and amounts due by the connected company.

The director put forward an offer in full and final settlement of the amounts owed by him personally and by the connected company. After review we concluded that the offer received of £10,000 in settlement of the connected company debt and £35,000 in settlement of the loan account would provide the best return for creditors. The offer also included that the director would procure the agreement of two connected companies, Isibu Ltd and FSML Marketing Limited, who were creditors to the company, to

waive their rights to receive a distribution from the liquidation. This would have the benefit of reducing overall creditor claims in the liquidation.

We instructed Lester Aldridge LLP to prepare a settlement agreement and the offer was accepted on 13<sup>th</sup> September 2021. All funds have been received in the period since our last progress report.

#### Claim against HDIFA

As set out in the first report to creditors, the director estimated that the company may have a claim of £250,000 against HDIFA. It was the regulatory issues being faced by HDIFA which ultimately led to the downfall of Financial Solutions Midhurst Limited due to HDIFA being an authorised representative of the company. The quantum of the claim and the level of potential recovery was originally shown as uncertain due to the complexity of taking a claim forward.

The director provided us with information in respect of this potential claim. Following a review of this information we concluded that due to the complexity of this matter, the cost that might be associated with pursuing the potential claim and the uncertainty around any potential recovery that may be achieved, we did not believe it will be in the creditors' interest to incur additional costs in pursuing this matter.

#### Tangible assets

As anticipated at the outset of the liquidation, no recovery was possible in respect of the tangible assets of the company due to their age and condition and these items were abandoned.

#### Other realisations

Prior to our appointment the company had vacated the leasehold trading premises. With the assistance of the director of the company we sought recovery of the rent deposit held by the landlord and after some chasing we recovered £2,700 in this regard.

Upon our appointment as liquidators we arranged for the cash held in our client account of £12,000 to be transferred to a dedicated liquidation bank account.

We have received £4,426 in respect of an insurance claim which had been commenced prior to our appointment. We have also received £175 in respect of a refund of bank charges incorrectly applied to the company's bank account prior to the liquidation.

Realisations have been supplemented by £126 bank interest received on the balances held, of which £38 has been received since our last progress report.

#### Investigation

In our first report, we invited creditors to bring to our attention any matters that they believe require further investigation. We have also conducted an investigation into the affairs of the company in order to identify matters that would lead to a cost-effective recovery for creditors. As set out in our previous progress report we identified certain matters of concern and have taken steps to pursue them. Some of the concerns relate to the amounts due to the company from connected parties, which we have covered earlier in this report. All investigation matters have now been concluded.

In addition, a report has been submitted to The Insolvency Service as required under the provisions of The Insolvent Companies (Report on Conduct of Directors) (England and Wales) Rules 2016.

#### Creditors' claims and dividends

##### **Fixed charge creditors**

There are no fixed charge creditors of the company

##### **Preferential creditors**

There are no preferential creditors of the company.

##### **Floating charge creditors**

There are no floating charge creditors of the company.



## **Prescribed part**

In this case, unsecured creditors will not benefit from the availability of any prescribed part. This is the requirement to set aside for the benefit of unsecured creditors a proportion of the funds that would otherwise be paid to a floating charge holder, calculated as 50% of the first £10k and 20% of the balance, it only applies to any charges that were granted after September 2003, of which there are none in this case.

## **Unsecured creditors**

At the outset of the liquidation it was uncertain whether there would be sufficient realisations to enable a dividend to be paid to unsecured creditors. As a result of the work we have undertaken we will now be paying a dividend to the unsecured creditors. We anticipate that this payment will be in the region of 2-3p in the £ with the eventual amount being largely dependant upon the final claim received from the Financial Services Compensation Scheme 'FSCS' as explained further below.

During the liquidation we have spent a significant amount of time liaising with the Financial Conduct Authority 'FCA' who have requested the delivery of certain company files so that the advice provided to clients can be reviewed by them. The FCA have in turn undertaken a number of client file reviews in relation to pension advice previously provided by HDIFA. Some of the outcomes of these file reviews have been provided to us during the liquidation.

In addition to the claims raised directly with the FCA by the company's clients we have been advised that the FCA have written directly to previous clients of the company to advise them of their concerns around the pension transfer advice provided by HDIFA. Within this correspondence the FCA has invited any concerned customers to contact the FSCS. This could potentially increase the level of claims made against the company.

Claims made against the company via the FSCS have been reviewed in conjunction with the insurance policies that the company historically had in place at the time of the complaint being raised. If claims are not covered by an insurance policy then these may be met by the FSCS.

The above process was expected to take a significant amount of time before the FSCS would have concluded their review of all potential client claims. In the interest of bringing the liquidation to a conclusion we requested that the FSCS provide us with details of their expected claim, to include an estimate for those claims that have not yet been concluded

The FSCS have now advised us that they have settled eight compensation claims with a combined value of £1.798m. They have also advised us that they have rejected two claims and four claims have yet to be processed.

We have received an indication of their claim in the liquidation based upon claims received to date and this totals £2.5m. The estimate provided by the FSCS includes a provision for ongoing claims (£720k) and has been calculated based upon the number of claims under review, the average value of upheld claims and the level of success of historical claims received.

Due to the size of the expected final claim from the FSCS this will clearly have a significant bearing on the eventual dividend that will be paid to the unsecured creditors with the FSCS expected to make up nearly 90% of total creditors in the liquidation. Total claims received to date in the liquidation amount to £2.9m.

Having considered the position we now feel it is appropriate to request that all creditors provide us with details of their final claim and formal notice in this respect has been sent under separate cover. We will shortly be taking steps to review and agree all creditors claims in order that a first and final dividend to unsecured creditors can be paid early in the New Year.

As set out earlier in this report, as part of the settlement agreement for the connected party debts, two connected company creditors have agreed to waive their right to receive distributions from the liquidation.

We have submitted the necessary returns to HM Revenue and Customs.

We have responded to creditor correspondence and confirmed claims where we have been requested to do so.

### **Liquidators' fees, disbursements and expenses**

We are required to agree the basis of our remuneration and disbursements with the creditors. The agreement was given on 21<sup>st</sup> October 2019 by creditors. Due to the additional work we have been required to undertake during the liquidation our time costs exceeded the original budget. We sought creditors approval to a revised fee budget within our progress report dated 10<sup>th</sup> November 2020. The agreement to the revised fee budget was given on 8<sup>th</sup> December 2020 and it was resolved that our remuneration and disbursements be fixed as follows:-

- For services provided in the period up to the date of despatch of the draft final progress report to creditors on the basis allowed by reference to the time properly given by the office holders and their staff in attending to matters arising. We are required to provide creditors with details relating to those time costs and the disbursements that we have incurred. This is analysed on the attached schedule, along with a narrative, a schedule of our current charge-out rates and disbursements policy. The totals are summarised below.

	Period of this report (£)	Total to 16/09/2022 (£)
<b>Total</b>	7,585	79,533
<b>Amount paid</b>	7,000	78,000

- For services in the period from the following day for the remainder of the liquidation, a set amount of £2,000.
- Out of pocket expenses incurred in accordance with the schedule of rates for disbursements and out of pocket expenses published.

The revised budgeted estimate previously provided to creditors is set out below.

Category of work	Revised estimate		
	Hours	Cost (£)	Average hourly rate (£)
Realisation of assets	172	44,730	260
Administration and planning	42	8,220	196
Creditors	80	17,150	214
Investigations	99	23,240	235
Reporting	32	6,610	207
<b>Estimated total</b>	<b>425</b>	<b>99,950</b>	<b>235</b>

The time costs are unlikely to exceed the fee estimate provided.

We have drawn a fee of £7,774, as approved by a resolution on 21<sup>st</sup> October 2019 by creditors, for the services provided to the company in the period leading up to our appointment in convening the creditors' decision and preparing the report and statement of affairs that was presented to creditors.

We have also instructed agents to handle certain aspects of the liquidation on our behalf where it was either more cost-effective for them to do so or where they have a particular expertise that was required. A summary of the expenses is enclosed.

As reported previously the expenses have exceeded the estimate initially provided to creditors as we have been required to increase the statutory bond in place for the liquidation due to the increase in asset realisations. Also additional work has been required by solicitors in the preparation of a sale agreement for the client database and a settlement agreement in respect of the connected party debts. It is now estimated that they will total £7,000 compared to an original estimate of £6,510.

### **Creditors' requests for further information**

In accordance with rule 18.9 Insolvency (England and Wales) Rules 2016 the following may make a written request to us for further information about remuneration or expenses set out in this report:-

- A secured creditor.

- An unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question).
- Any unsecured creditor with the permission of the court.

A request, or an application to the court for permission, must be made, or filed with the court (as applicable) within 21 days of the receipt of this report.

In accordance with rule 18.34 the following may make an application that the remuneration charged is in all circumstances excessive or the basis is inappropriate or the expenses incurred are excessive:-

- A secured creditor.
- An unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors (including the creditor in question).
- Any unsecured creditor with the permission of the court.

The application to the court must be made no later than eight weeks after the receipt of this report.

Further information regarding liquidators' fees can be found by visiting the following website link <https://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>

#### **Anticipated timescale for completion of the winding up**

We expect to be able to complete the winding up by February 2023. Prior to that, we need to address these outstanding issues upon which we have commented in this report:-

- The agreement of the unsecured creditor claims.
- The payment of a first and final dividend to unsecured creditors.

We hope that the contents of this report have provided you with a clear and detailed explanation of the conduct of the winding up. If you should have any queries or require further explanation please do not hesitate to contact us.

Michael Fortune  
**Joint Liquidator**

#### **Attachments**

- Summary of receipts and payments
- SIP 9 time analysis
- Narrative of time spent
- Summary of disbursements and expenses
- Schedule of charge out rates
- Creditor privacy policy

**Financial Solutions Midhurst Limited**

**In Liquidation**

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<b>SHAREHOLDERS</b>		
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Statement of Affairs £	From 17 September 2021	From 17 September 2019
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**REPRESENTED BY**

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# Time Entry - Detailed SIP9 Time & Cost Summary

Financial Solutions Midhurst Limited

17 September 2021 to 16 September 2022

By Project Code: 'POST -- Post Appointment' & Including Sub-Analysis Codes

Classification of Work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
<b>Administration &amp; planning</b>							
Banking inc reconciliations & bonding	0.70	0.10	0.00	4.00	4.80	814.00	169.58
Case acceptance & strategy	0.10	0.00	0.00	0.00	0.10	36.00	360.00
Record maintenance inc cash book	0.20	0.00	0.10	2.50	2.80	423.00	151.07
Statutory notifications and filings	0.00	0.00	0.00	0.40	0.40	52.00	130.00
<b>Administration &amp; planning</b>	<b>1.00</b>	<b>0.10</b>	<b>0.10</b>	<b>6.90</b>	<b>8.10</b>	<b>1,325.00</b>	<b>163.58</b>
<b>Creditors</b>							
Corresponding with and dealing with member matters	0.00	0.70	0.00	0.00	0.70	164.50	235.00
Dealings with customers	1.70	0.00	0.00	0.00	1.70	636.00	374.12
HMRC returns	0.00	0.10	0.10	1.00	1.20	183.00	152.50
Individual creditors correspondence	0.00	0.50	0.30	0.10	0.90	190.50	211.67
Inviting and assessing creditor claims	0.70	0.30	0.00	0.00	1.00	322.50	322.50
Liaising with FCA	1.30	1.90	1.00	0.00	4.20	1,114.50	265.36
Pension companies & Pension Regulator work	0.00	0.00	0.00	0.60	0.60	78.00	130.00
<b>Creditors</b>	<b>3.70</b>	<b>3.50</b>	<b>1.40</b>	<b>1.70</b>	<b>10.30</b>	<b>2,689.00</b>	<b>261.07</b>
<b>Investigations</b>							
Correspond with solicitors re actions to be brought	0.20	0.00	0.00	0.00	0.20	72.00	360.00
Investigating antecedent transactions	0.50	0.00	0.10	0.00	0.60	200.00	333.33
Misfeasance action	0.00	0.00	0.20	0.00	0.20	40.00	200.00
<b>Investigations</b>	<b>0.70</b>	<b>0.00</b>	<b>0.30</b>	<b>0.00</b>	<b>1.00</b>	<b>312.00</b>	<b>312.00</b>
<b>Realisation of assets</b>							
Business sales	0.40	0.00	0.00	0.30	0.70	183.00	261.43
Case review	0.60	0.80	0.70	0.00	2.10	553.00	263.33
Director loan account	0.00	0.00	0.00	0.40	0.40	52.00	130.00
Identifying and securing assets	0.00	0.00	0.20	0.00	0.20	40.00	200.00
Recoveries from connected parties	0.00	0.00	1.30	0.30	1.60	299.00	186.88
Requesting anc chasing HMRC for refunds	0.10	0.00	0.00	0.10	0.20	49.00	245.00
VAT reclaim	0.30	0.20	0.10	1.50	2.10	370.00	176.19

Classification of Work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Realisation of assets	1.40	1.00	2.30	2.60	7.30	1,546.00	211.78
<b>Reporting</b>							
Progress reports	2.70	0.00	3.00	0.90	6.60	1,713.00	259.55
<b>Reporting</b>	<b>2.70</b>	<b>0.00</b>	<b>3.00</b>	<b>0.90</b>	<b>6.60</b>	<b>1,713.00</b>	<b>259.55</b>
<b>Total Hours</b>	<b>9.50</b>	<b>4.60</b>	<b>7.10</b>	<b>12.10</b>	<b>33.30</b>	<b>7,585.00</b>	<b>227.78</b>
<b>Total Fees Claimed</b>						<b>7,000.00</b>	
<b>Total Expenses Claimed</b>						<b>1.24</b>	

n/a - Denotes time recorded under that section with no sub-analysis code specified

# Time Entry - Detailed SIP9 Time & Cost Summary

Financial Solutions Midhurst Limited

17 September 2019 to 16 September 2022

By Project Code: 'POST -- Post Appointment' & Including Sub-Analysis Codes

Classification of Work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
<b>Administration &amp; planning</b>							
Administrative set-up	0.20	0.00	2.30	1.00	3.50	602.50	172.14
Banking inc reconciliations & bonding	2.10	0.10	0.00	8.00	10.20	1,741.00	170.69
Case acceptance & strategy	4.00	0.00	4.70	0.10	8.80	2,136.00	242.73
Record maintenance inc cash book	0.40	0.00	3.80	7.80	12.00	1,803.50	150.29
Statutory notifications and filings	1.00	0.00	0.40	1.60	3.00	558.00	186.00
<b>Administration &amp; planning</b>	<b>7.70</b>	<b>0.10</b>	<b>11.20</b>	<b>18.50</b>	<b>37.50</b>	<b>6,841.00</b>	<b>182.43</b>
<b>Creditors</b>							
Corresponding with and dealing with member matters	0.00	0.70	0.40	0.10	1.20	250.00	208.33
Dealings with customers	3.70	0.00	0.00	0.00	3.70	1,386.00	374.59
Decision of creditors	0.40	0.00	2.30	0.80	3.50	641.50	183.29
HMRC correspondence	0.20	0.00	0.00	2.30	2.50	328.00	131.20
HMRC returns	0.70	0.10	0.20	1.70	2.70	514.00	190.37
Individual creditors correspondence	10.00	0.50	9.50	4.10	24.10	5,653.00	234.56
Inviting and assessing creditor claims	8.10	0.30	0.80	0.20	9.40	2,966.50	315.59
Liaising with FCA	11.00	1.90	2.70	0.00	15.60	4,573.50	293.17
Pension companies & Pension Regulator work	0.00	0.00	0.40	1.90	2.30	301.50	131.09
<b>Creditors</b>	<b>34.10</b>	<b>3.50</b>	<b>16.30</b>	<b>11.10</b>	<b>65.00</b>	<b>16,614.00</b>	<b>255.60</b>
<b>Investigations</b>							
CDDA reports	2.90	0.00	5.40	0.50	8.80	1,988.50	225.97
Correspond with solicitors re actions to be brought	0.20	0.00	0.00	0.00	0.20	72.00	360.00
Investigating antecedent transactions	22.80	0.00	4.50	0.00	27.30	8,150.00	298.53
Misfeasance action	0.00	0.00	0.20	0.00	0.20	40.00	200.00
SIP 2 review	4.00	0.00	14.60	0.40	19.00	3,987.00	209.84
<b>Investigations</b>	<b>29.90</b>	<b>0.00</b>	<b>24.70</b>	<b>0.90</b>	<b>55.50</b>	<b>14,237.50</b>	<b>256.53</b>
<b>Realisation of assets</b>							
Business sales	63.40	0.00	1.10	2.50	67.00	20,931.50	312.41
Case review	6.40	0.80	8.80	0.00	16.00	3,912.00	244.50
Cash at bank	0.20	0.00	0.10	0.80	1.10	172.50	156.82



Classification of Work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Debt collection	1.00	0.00	1.78	0.20	2.98	719.50	241.44
Director loan account	7.60	0.00	0.40	0.40	8.40	2,864.00	340.95
Identifying and securing assets	1.90	0.00	0.60	0.10	2.60	717.50	275.96
Insurance, security and maintenance	0.80	0.00	0.00	0.00	0.80	258.00	322.50
Plant, stock disposals inc management of agents	0.30	0.00	1.40	0.00	1.70	352.00	207.06
Recoveries from connected parties	10.30	0.00	1.30	1.20	12.80	4,050.50	316.45
Requesting anc chasing HMRC for refunds	0.10	0.00	0.00	0.10	0.20	49.00	245.00
VAT reclaim	0.30	0.20	0.30	2.50	3.30	535.50	162.27
<b>Realisation of assets</b>	<b>92.30</b>	<b>1.00</b>	<b>15.78</b>	<b>7.80</b>	<b>116.88</b>	<b>34,562.00</b>	<b>295.70</b>

#### Reporting

Initial notices of appointment	2.00	0.00	2.70	1.10	5.80	1,246.00	214.83
Meeting of creditors	0.00	0.00	0.00	2.40	2.40	276.00	115.00
Progress reports	9.10	0.00	13.00	1.80	23.90	5,687.50	237.97
Statutory advertising and filings	0.00	0.00	0.00	0.60	0.60	69.00	115.00
<b>Reporting</b>	<b>11.10</b>	<b>0.00</b>	<b>15.70</b>	<b>5.90</b>	<b>32.70</b>	<b>7,278.50</b>	<b>222.58</b>

<b>Total Hours</b>	<b>175.10</b>	<b>4.80</b>	<b>83.68</b>	<b>44.20</b>	<b>307.58</b>	<b>79,533.00</b>	<b>258.58</b>
<b>Total Fees Claimed</b>						<b>78,000.00</b>	
<b>Total Expenses Claimed</b>						<b>599.34</b>	

n/a - Denotes time recorded under that section with no sub-analysis code specified

## **Financial Solutions Midhurst Limited in liquidation**

### **Narrative of time spent**

We have recorded time in the following categories of work that we have handled:-

#### **AP: Administration and planning**

Internal management of the case to ensure it is completed in an expedient manner and in accordance with good practice. Maintaining the estate accounts and ensuring compliance and statutory filing requirements, further details as set out on the attached.

Whilst this work provides no financial benefit to the creditors it is required by statute.

#### **C: Creditors**

Corresponding with creditors about their claims, as more fully described under the "Creditor claims and outcome for creditors" in the report, further details as set out on the attached.

Where work was undertaken to agree claims in order to distribute funds to creditors this was for the financial benefit of the creditors. Whilst the other work provided no financial benefit to the creditors it was required by statute.

#### **I: Investigation**

Carrying out a review of the events leading up to failure and completing the CDDA reports, which is explained in more detail under the heading of "Investigation" in the report. Further details are set out on the attached.

Where this work was undertaken to recover funds, this has provided a financial benefit to the creditors. Whilst the other work provides no financial benefit to the creditors it is required by statute.

#### **R: Realisation of assets**

Taking appropriate measures to realise the assets of the company, as more fully explained under the heading "Outcome in realising assets" in the report, further details as set out on the attached.

This work has provided a financial benefit to the creditors as sufficient funds are available from the realisations to enable a distribution to creditors.

#### **Reporting**

Communicating with creditors about the initial appointment, preparing and distributing reports, further details as set out on the attached.

Whilst this work provides no financial benefit to the creditors it is required by statute.

**Category 2 expenses**

<b>Disbursement</b>	<b>Rate paid</b>	<b>Accrued 17/09/2021 to 16/09/2022</b>	<b>Total accrued to 16/09/2022</b>	<b>Total paid to 16/09/2022</b>	<b>Total estimated</b>
		£	£	£	£
Postage and stationery	3 times postage	-	56.82	56.82	187.20
Photocopying and printing	10p per copy	-	49.60	49.60	150.00
Mileage	HM Revenue & Customs agreed rate	-	-	-	-
Room hire	£120 per meeting	-	-	-	-
Storage (Portland archive)	£50 per box per year	-	-	-	50.00
Facsimile	£1 per page	-	-	-	10.00
Company searches	2 times cost	-	-	-	12.00
Banking fee	£10 per case	-	10.00	10.00	10.00
		-	<b>116.42</b>	<b>116.42</b>	<b>419.20</b>

Note - since 1st April 2021 the only category 2 expenses incurred will be mileage

**Category 1 expenses**

<b>Type of expense incurred</b>	<b>Name</b>	<b>Accrued 17/09/2021 to 16/09/2022</b>	<b>Total accrued to 16/09/2022</b>	<b>Total paid to 16/09/2022</b>	<b>Total estimated</b>
		£	£	£	£
Direct posting costs	Postworks	2.68	21.91	20.47	-
Statutory bond	Insolvency Risk Services	-	460.00	460.00	250.00
Statutory advertising	Courts Advertising	-	240.60	240.60	240.60
External storage	Millbank Document storage	-	-	-	100.00
Tax	HM Revenue and Customs	7.22	20.52	13.30	-
Anti Money Laundering check	Smartsearch	-	2.45	2.45	-
		<b>9.90</b>	<b>745.48</b>	<b>736.82</b>	<b>590.60</b>

**Category 1 expenses - Professional fees**

<b>Name</b>	<b>Type of expense incurred</b>	<b>Accrued 17/09/2021 to 16/09/2022</b>	<b>Total accrued to 16/09/2022</b>	<b>Total paid to 16/09/2022</b>	<b>Total estimated</b>
		£	£	£	£
Paris Smith	Legal fees	-	-	-	5,000.00
Lester Aldridge LLP	Legal fees	-	5,730.00	5,730.00	-
Lewis Brownlee	Accountant fees	-	-	-	500.00
		-	<b>5,730.00</b>	<b>5,730.00</b>	<b>5,500.00</b>

## Fees and disbursements policies

### Fee policy

In line with most practices, we normally calculate our fees on the basis of the time spent by each member of staff. We are prepared to calculate fees as a percentage of realisations or as a fixed fee by special arrangement only where the circumstances warrant it. Where the assignment relates to an insolvency appointment, we are normally required to obtain a resolution from creditors approving the basis of calculation.

Staff of the appropriate grades, are allocated to each task on each assignment, according to the size and complexity of the matter, and they record their time in six minute units. Where the fee is to be calculated on the basis of time spent, cost rates for each grade are then used to evaluate the fee. The effectively hourly rates are currently as follows:-

	Cost per hour	
	From 1 Nov 2022 £	To 31 Oct 2022 £
Director	550	390
Senior Manager (previously Associate director)	465	360
Manager 1 (previously Client director)	415	330
Manager 2 (previously Case manager)	365	235
Admin 1 (previously Senior insolvency administrator)	295	200
Admin 2	265	N/A
Admin 3 (previously Case administrator)	245	160
Admin 4 (previously Administrator)	175	130
Admin 4 (previously Cashiers)	175	130

The rates are reviewed periodically, typically every 1-2 years, and could therefore increase during any particular assignment.

### Expenses policy

#### Category 1 – no approval required

Where expenses are incurred through third parties specifically in respect of the assignment, they are recharged to the case as incurred, for example statutory advertising, external room hire, fidelity bond, rail travel and external storage. These are defined as category 1 expenses in SIP9 and approval is not required.

#### Category 2 – approval required

Other expenses can be recharged to the assignment based on a share or allocation of a cost that Portland Leonard Curtis incurs centrally. These are defined as category 2 expenses in SIP 9 and approval is required. Typically such expenses and the method of allocation are as follows:-

Postage and stationery	-	Three times postage cost
Photocopying and printing	-	10p per copy
Facsimile	-	£1 per page
Mileage	-	HM Revenue and Customs agreed rate
Room hire	-	£120 per meeting
Storage (Portland Leonard Curtis archive)	-	£50 per box per year
Company searches	-	Two times cost
Virtual meeting/conference call	-	£10 per meeting/call
Banking fee	-	£10 per case
Debt collection fees	-	Details in report if charged
Leonard Curtis Legal	-	Details in report if charged

\* Note – the only category 2 expenses which may have been incurred since 1<sup>st</sup> April 2021 are debt collection fees, legal fees and mileage.

## **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, 5<sup>th</sup> 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](mailto:privacy@leonardcurtis.co.uk).

**Data Controller: Leonard Curtis**