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1 Company details

Company number 0 9 4 6 9 5 7 6

Company name in full Hartley Pensions Limited

→ **Filling in this form**

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Peter

Surname Kubik

3 Administrator's address

Building name/number Quadrant House

Street 4 Thomas More Square

Post town London

County/Region

Postcode E 1 W 1 Y W

Country

4 Administrator's name ①

Full forename(s) Brian

Surname Johnson

① **Other administrator**

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Quadrant House

Street 4 Thomas More Square

Post town London

County/Region

Postcode E 1 W 1 Y W

Country

② **Other administrator**

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 2	^d 9	^m 0	^m 1	^y 2	^y 0	^y 2	^y 3
To date	^d 2	^d 8	^m 0	^m 7	^y 2	^y 0	^y 2	^y 3

7 Progress report

I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

^d 2	^d 5	^m 0	^m 8	^y 2	^y 0	^y 2	^y 3
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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 Peter Kubik

Company name UHY Hacker Young LLP

Address
Quadrant House
4 Thomas More Square
London

Post town

County/Region

Postcode E 1 W 1 Y W

Country

DX

Telephone 020 7216 4600

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Crown Way, Cardiff, Wales, CF14 3UZ.
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**In the High Court of Justice, Business and Property Courts of England and Wales, Insolvency and
Companies List (ChD), CR-2022-002357**

**Hartley Pensions Limited
In Administration**

**The Joint Administrators' progress report
For the period 29 January 2023 to 28 July 2023**

Peter Kubik and Brian Johnson

**UHY Hacker Young LLP
Quadrant House, 4 Thomas More Square, London, E1W 1YW**

This report has been prepared for the sole purpose of updating the creditors for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

Peter Kubik and Brian Johnson were appointed Joint Administrators of Hartley Pensions Limited on 29 July 2022. The affairs, business and property of the Company are managed by the Joint Administrators, who act as agents of the Company and contract without personal liability.

**Hartley Pensions Limited
In Administration**

**The Joint Administrators' progress report
For the period 29 January 2023 to 28 July 2023**

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6. Comparison of expense incurred to take together with the original expenses estimate

1. EXECUTIVE SUMMARY

- 1.1 Brian Johnson and I, Peter Kubik, were appointed Joint Administrators of Hartley Pensions Limited (“the Company”) on 29 July 2022.
- 1.2 This report describes the progress between 29 January 2023 to 28 July 2023 (“the Review Period”) and a summary of key information in this report is detailed below.

Asset realisations

Asset	Estimated to realise per Proposals (£)	Realisations to date (£)	Anticipated future realisations (£)	Total anticipated realisations (£)
Amount due from the Wilton’s group	Uncertain	-	Uncertain	Uncertain
Bank interest	-	8,074.59	Uncertain	8,074.59
Cash at bank	424,045.84	461,300.25	-	461,300.25
IT equipment	Uncertain	-	Uncertain	Uncertain
Fixtures and fittings	Uncertain	-	Uncertain	Uncertain
Other debtors	Uncertain	-	Uncertain	Uncertain
Sale of the SIPP/SSAS book	Uncertain	-	Uncertain	Uncertain
Trade debtors	Uncertain	647,636.53	Uncertain	647,636.53
Unlisted investments	Uncertain	-	Uncertain	Uncertain
Total	424,045.84	1,117,011.37	Uncertain	1,117,011.37

Expenses

Expense	Estimated per the proposals (£)	Expense incurred to date (£)	Anticipated further expense to closure (£)	Total anticipated expense (£)
Pre appointment fees:				
- UHY Hacker Young	39,705.00	39,705.00	-	39,705.00
- DWF Law	246,163.14	246,163.14	-	246,163.14
Joint Administrators’ fees	5,091,250.00	1,999,932.83	3,091,317.17	5,091,250.00
Legal fees and expenses (including counsel)	2,500,000.00	3,029,416.11	2,978,021.89	6,007,438.00
Agents’ fees	120,000.00	85,325.00	-	85,325.00
Pension specialists	950.00	610.00	340.00	950.00
Employee specialists	2,500.00	-	2,500.00	2,500.00
Advertising	94.10	94.10	-	94.10
Bonding	1,200.00	1,200.00	-	1,200.00
Storage of records	1,000.00	-	1,000.00	1,000.00
Insolvency software fee	90.00	90.00	-	90.00
Creditor Gateway fees	84.00	56.00	28.00	84.00
Category 2 expenses:				
- UHY Hacker Young	130,000.00	100,750.00	-	100,750.00
- Mileage	-	280.48	Uncertain	280.48
Total	8,133,036.24	5,503,622.66	6,073,207.06	11,576,829.72

- 1.3 Please note that the receipts and expenses above do not include the trading income or payments.

Dividend prospects

Creditor class	Distribution/ dividend paid to date	Anticipated distribution/ dividend
Secured creditor	-	Not applicable
Preferential creditors	-	Uncertain
Secondary preferential creditor	-	Uncertain
Unsecured creditors	-	Uncertain

- 1.4 An extension to the period of Administration of 12 months was granted by the relevant creditors on 4 July 2023 and thus the Administration is now scheduled to end on 28 July 2024.

Outstanding matters

- 1.5 The key matters outstanding include:

- debtors: pursuing payment from the remaining debtor book;
- realisation of assets: agreeing and finalising a sale of the small self-administered schemes (“SSAS”);
- trading: ongoing trade of the business to enable an orderly transfer of the SSAS book to the purchaser and an orderly wind down of the self-invested personal pension (“SIPP”) book;
- client committee: ongoing correspondence and meetings with the client committee and representative respondent;
- clients: ongoing communication with clients regarding their schemes, reconciliation of the client positions, securing and obtaining control over the pension assets; and
- investigation: ongoing investigation into the matters identified to ascertain if recoveries are available.

2. THE PROGRESS OF THE ADMINISTRATION

The Joint Administrators’ receipts and payments account

- 2.1 Attached at Appendix 2 is a receipts and payments account for the Review Period. The remainder of this report describes the key developments in the Administration over the Review Period. Appendix 4 includes a detailed list of work undertaken.

- 2.2 In this section, we have summarised the main asset realisations during the Review Period and an estimation of those assets yet to be realised, together with details of the associated costs incurred but as yet remaining unpaid.

Administration (including statutory reporting)

- 2.3 We have met a considerable number of statutory and regulatory obligations. Whilst many of these tasks have not had a direct benefit in enhancing realisations for the insolvent estate, they have assisted in the efficient and compliant progressing of the Administration, which has ensured that we and our staff have carried out our work to high professional standards.

- 2.4 During the Review Period, primarily these tasks have included:-

- consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;

- maintaining case files, which must include records to show and explain the Administration and any decisions we have made that materially affect the Administration;
- monitoring and maintaining an adequate statutory bond;
- conducting periodic case reviews to ensure that the Administration is progressing efficiently, effectively and in line with the statutory requirements;
- maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments; and
- completing periodic tax returns.

Trading

2.5 Upon appointment, the Company continued trading in order to either complete a sale of the SIPP and SSAS books or ensure an orderly wind down. The day to day trading of the Company during the Review Period included the following:-

- preparation of cash flow forecasts and regular review/updating of them;
- review of staffing levels and seeking consultants/agency staff to assist the existing team;
- attending twice daily team lead meetings and employee meetings;
- discussions with landlords, re-negotiating lease terms for both the Bristol and Blackburn premises;
- liaising with suppliers, review of invoices and processing payments;
- review of receipts, including adding them to the accounting system and correct VAT allocation;
- preparing of quarterly VAT returns;
- approving and processing payroll and PAYE/NIC deductions;
- ensuring security of the premises, computer system, equipment, as well as ongoing review to transfer the Company's servers away from the Wilton group; and
- ongoing health and safety and GDPR reviews.

2.6 In addition to the day to day trading of the Company, the Administration team has undertaken the following:

- client communication, including providing regular updates on UHY Hacker Young's dedicated Hartley Pensions webpage as well as by email and post;
- correspondence with clients regarding transfer requests, requests for transfers out, requests for contributions, death committee duties, pension sharing orders etc;
- regular updates with the Financial Conduct Authority ("FCA"), Financial Services Compensation Scheme ("FSCS") and HM Revenue and Customs ("HMRC");
- seeking the replacement of director of the trustee companies/special purpose vehicles, which hold the assets of the SIPP and SSAS clients;
- ongoing reconciliation of the assets under administration, which had not been undertaken by the Company previously;
- review of the various terms and conditions attached to the SIPP and SSAS books, collating additional information regarding the terms and conditions;
- undertaking cost modelling using various methods to consider the fairest option for clients;
- ongoing meetings/correspondence with the informal client committee to consider the proposed cost modelling;
- inviting clients to act as the representative respondent and ongoing discussions with those expressing an interest;

- preparation of an application to court to consider and approve the cost model; and
 - discussions with solicitors and counsel regarding various aspects, including specific trading queries, the application itself, removal of the existing trustee, deficiencies in the records held by the Company regarding client terms and conditions, etc.
- 2.7 During the Review Period, the Company has continued trading in order to provide an ongoing service to clients, enabling draw downs or alternative large payment requests to be processed and transactions within client’s schemes to be undertaken.
- 2.8 Clients will have previously been advised that we propose to apply to court in order to ratify an exit and administration charge (“the Charge”) to fund the costs involved in transferring clients to a new SIPP operator. The Charge is intended to be a single one-off fee which replaces the current management fees.
- 2.9 The following four models have been considered:
- fixed fee per client – a fixed fee per client regardless of the type(s) of assets held or value;
 - hybrid charge based on asset type – this model has a different charge for each type of asset held within a client’s SIPP, therefore the total Charge to be borne by each client will vary depending on the number and type(s) of assets they hold;
 - percentage based model – a percentage charge based on the value of the assets held by each client; or
 - capped percentage charge – a percentage on the value of the assets held by each client subject to a cap to be determined.
- 2.10 The application to court will seek confirmation that we have the ability to impose the Charge, insofar as it is allowed within the existing terms and conditions of each SIPP. It is hoped that we shall have a court hearing in November 2023.
- 2.11 An informal committee, consisting of clients, independent financial advisors and consumer groups, was formed who requested that we seek to exhaust all other possible options for funding the Charge via The Insolvency Service and FSCS. Whilst The Insolvency Service confirmed that no funding would be available, discussions with the FSCS are ongoing.
- 2.12 We are in discussions with various alternative SIPP operators to ascertain their interest and ability in potentially taking on all clients once the transfer process can commence. Discussions are ongoing and clients will be contacted in due course with further information.

Realisation of assets

Sale of the SSAS book

- 2.13 Prior to the Administration, discussions had commenced with interested parties for the potential purchase of the SSAS book.
- 2.14 We have identified two interested parties and, prior to selecting the preferred purchaser, we are in discussions with HMRC regarding the treatment of any tax liability that may arise against the Company.

Trade debtors

- 2.15 Prior to the Administration, the Company continued to charge clients their annual invoices however a large number of clients had insufficient funds in their schemes to enable these

invoices to be paid. The last audited accounts, dated 30 April 2021, showed a book value of £2,986,590, however at the date of the Administration these had increased to £5,883,943.94.

2.16 Due to restrictions in place, clients are unable to make new contributions into the scheme and therefore are unable to take advantage of the tax benefits whilst also settling their debtor positions. Whilst further realisations are expected, the amount remains uncertain.

2.17 The sum of £647,636.53 has been realised during the Administration, of which £173,175.73 was received in the Review Period. Hartley's finance team are continuing to pursue outstanding debts.

Amount due from the Wilton's group

2.18 As previously advised, in the last audited accounts, dated 30 April 2021, the intercompany position showed a debt due from other members of the Wilton group split as follows, with a total balance of £3,009,898 due to the Company:

- Wilton Group Limited ("WGL") owed the Company £4,164,835;
- Wilton IOM Limited ("IOM") owed the Company £104,304;
- The Company owed Wilton UK (Group) Limited ("WUK") £910,512; and
- The Company owed Wilton Wealth Management Limited ("WWML") £261,457.

2.19 Whilst we were advised that the intercompany position was amalgamated and have sought to understand the movement, no meaningful information has been forthcoming. WUK subsequently entered into administration on 3 April 2023 and based on the administrators' proposals no return is available to unsecured creditors. Whilst we will continue to monitor the position, it is unlikely that there will be any return in this respect.

Other debtors

2.20 The Company also had an outstanding debt due in respect of Wilton & Partners Limited ("W&P"), an Irish registered entity within the Wilton group. Monies had been transferred from the Company to W&P to facilitate the purchase of another Irish registered entity called Bespoke Trustees Limited ("BTL") for the sum of €1,600,000 plus an additional figure to be determined based on future profits.

2.21 BTL's original shareholder, Cathedral Financial Consultants Ltd, issued a petition for W&P's winding up in the Irish courts due to non-payment of the outstanding sale consideration due to them, in the sum of €723,078. W&P subsequently entered liquidation on 12 June 2023.

2.22 The directors of W&P have failed to provide a statement of affairs and as such the liquidators of W&P are currently unable to provide any financial information.

Fixtures and fittings/IT equipment

2.23 As detailed in the estimated outcome statement to the proposals, the Company owns fixtures and fittings and IT equipment with a book value of £69,994 and £21,537 respectively. It is currently uncertain whether there will be any value in these assets on completion of the trading period and therefore the estimated to realise value remains uncertain.

Unlisted investments

2.24 The Company had accepted 38,812 shares in Platform One Group Limited in lieu of fees due of £38,812. We are in discussions with Platform One Group Limited regarding the sale of these shares.

Bank interest

2.25 Bank interest in the sum of £6,482.56 has been earned during the Review Period.

Costs incurred but remaining unpaid

2.26 During the Review Period, we have incurred time costs and direct expenses, not all of which have yet been discharged. Further details of these costs are set out in section 5 below.

2.27 In addition, as the Company continues to trade it is continuing to incur expenses relating to wages, PAYE, staff benefits, rent, IT software, insurance, etc. These are being funded by the trading income which is separate to the assets mentioned above.

3. CREDITORS: CLAIMS AND DISTRIBUTIONS

Secured creditors

3.1 The Company has not granted any fixed or floating charges.

Preferential creditors

3.2 Preferential claims relating to arrears of wages, outstanding holiday pay and unpaid pension contributions. Creditors will recall from the estimated outcome statement in the proposals, that the preferential claim was estimated to total £30,099 and related solely to outstanding holiday pay.

3.3 It is uncertain whether there will be sufficient realisations to pay a dividend to preferential creditors at this stage.

Secondary preferential creditors

3.4 In any insolvency process commenced from 1 December 2020, HM Revenue and Customs ("HMRC") is a secondary preferential creditor for VAT, PAYE, employees' NIC, CIS deductions and student loan deductions. This will mean that, if there are sufficient funds available, any of the above amounts owed by the Company will be paid after the preferential creditors have been paid in full.

3.6 The estimated secondary preferential claim due to HMRC in the proposals was £300,000. To date, HMRC have not submitted a claim.

Unsecured creditors

3.5 Unsecured claims were estimated to be £503,451 in the estimated outcome statement in the proposals. Claims of £507,330.22 have been received.

3.6 Any client who believes they have a claim against the Company should submit a proof of debt form, which is available on UHY's dedicated webpage <https://www.uhy-uk.com/hartley-pensions-limited-administration>.

3.7 Based on current information, it is uncertain whether a dividend will be available to unsecured creditors.

4. INVESTIGATIONS

4.1 As previously advised, following a review of the Company's records, the following matters were identified:

- transactions identified in the bank statements which do not appear to have been for corporate expenses but personal expenditure; and
- investigation of serious operational and regulatory issues.

4.2 As our investigations are ongoing, and in order to avoid prejudicing any action we make take, we are unable to provide further information at this stage.

4.3 You will note our previous report to creditors also included investigations into the intercompany debtor position movements (as detailed in section 2 above). Due to these companies entering into insolvency proceedings, we are unable to pursue this matter but will continue to monitor whether either process will provide a return to the Company.

5. ETHICS

5.1 Please be advised that we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

General ethical considerations

5.2 During the Review Period, no threats to compliance with the Insolvency Code of Ethics were identified.

Specialist advice and services

5.3 When instructing third parties to provide specialist advice and services or having the specialist services provided by the firm, we are obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work undertaken. The firm regularly reviews the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed in Section 6 of this report.

6. THE JOINT ADMINISTRATORS' FEES AND EXPENSES

Pre-Administration costs

6.1 Included within our proposals was a statement of pre-Administration costs. These costs were approved on 5 October 2022 as detailed below:-

Party instructed	Amount approved (£)
UHY Hacker Young LLP	34,471.00
DWF Law LLP	246,163.14
Hilco Global Limited	Contingent fee as previously advised

6.2 During the Review Period, the sum of £32,605.50 was paid to DWF Law LLP in respect of the amount that remained outstanding to them.

6.3 As previously advised, Hilco Global Limited had been instructed by the former proposed administrators of the Company to assist with a sale of the business and assets. Whilst the fee agreed was contingent, it also included a clause that required any time costs incurred to be paid in full. The total time costs incurred are £84,800.00, together with expenses of £525.00 and VAT. No payment has been made in this respect.

The Joint Administrators' fees

- 6.4 The basis of our fee was fixed on 5 October 2022 by resolution of creditors as follows:-
- “That the joint administrators’ fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time the work was undertaken, estimated to be £2,500,000 plus VAT.”
- 6.5 Further fee approval was obtained on 23 March 2023 in accordance with the following resolution:-
- “That the basis of the joint administrators’ fees be increased to £5,091,250.”
- 6.6 A breakdown of the time costs incurred during the Review Period is provided at Appendix 3 and you will note that our time costs in the Review Period total £1,036,980.00, representing 2,415.80 hours at an average rate of £429.25.
- 6.7 The total time costs incurred in the Administration total £1,999,932.83, of which £122,542.00 was drawn in the Review Period and the balance remains outstanding.
- 6.8 A comparison of the time costs incurred during the Review Period with the fee estimate is at Appendix 5.
- 6.5 Having regard for the costs that are likely to be incurred in bringing this Administration to a close, we consider that the revised fee estimate may be exceeded and further information shall be provided in future reports. Further approval shall be sought at the relevant time.

Expenses

- 6.6 The expenses, which include disbursements, that have been incurred and not yet paid during the period are at Appendix 6. Also at Appendix 6 is a comparison of the expenses likely to be incurred in the Administration, together with the original expenses estimate and reasons where any expenses are likely to exceed that estimate.
- 6.7 The category 1 expenses paid for in the Review Period total £144,557.77 and are detailed on the receipts and payments account at Appendix 2. These represent payments to parties not associated with the firm, who have provided services or goods for the Administration of the assignment.

Category 2 expenses

- 6.8 On 23 March 2023, creditors approved a category 2 expense in relation to UHY Hacker Young’s financial services department to assist with the reconciliation of the members’ pension plans, platforms and an overview of the SIPP and SSAS schemes. The fee was agreed on a time costs basis, estimated to be £130,000. The sum of £100,750.00 has been incurred in the Administration period, of which £15,066.50 was incurred during the Review Period.

- 6.9 Whilst mileage has also been incurred during the Administration period, no approval of these costs have previously been sought and a request for approval shall be issued under separate cover. Mileage in the sum of £121.07 has been incurred in the Review Period.
- 6.10 Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'Administration: a creditors' guide to fees' together with the firm's charge-out rate and expenses policy may be found at <https://www.uhy-uk.com/sites/default/files/2022-03/Administration-a-guide-for-creditors-on-insolvency-practitioner-fees.pdf> and <https://www.uhy-uk.com/sites/default/files/2022-09/London%20office%20turnaround%20and%20recovery%20charge%20out%20rates%20-%20Sep%202022.pdf> respectively. A hard copy of both may be obtained on request.

Other professional costs

Legal fees

- 6.11 DWF Law LLP were instructed as legal advisors in relation to all aspects of the Administration including advice regarding pensions, property, employment and specialist insolvency. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT.
- 6.12 In addition, counsel has been instructed to assist with the application to court and other advice as required. Their costs have been agreed on the basis of their standard hourly charge out rates plus VAT.
- 6.13 The total time costs and expenses incurred by DWF Law LLP and counsel totalled £3,029,416.11, of which £1,456,462.44 was incurred in the Review Period. The sum of £119,734.27 was paid during the Review Period.

Insolvency pension specialists

- 6.14 SP Insolvency are specialists in reviewing pension schemes held by a Company that has entered into insolvency proceedings with a view to ascertain what actions, if any, are required by the Company and assisting with submitting any necessary claim to the Redundancy Payments Office. They were instructed on a fixed fee basis of £305.00 per pension scheme, of which there were two. The sum of £610.00 has been paid in total, of which £305.00 was paid during the Review Period.
- 6.15 Please note that whilst this work could have been undertaken by the Administration team, it was considered that the time costs incurred in doing so would have been significantly higher than the fixed fee of SP Insolvency.

Creditors' right to request information

- 6.16 Any secured creditor, or unsecured creditor with the support of at least 5% in value of the unsecured creditors or with permission of the Court, may request in writing that we provide additional information regarding fees or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report.

Creditors' right to challenge fees and/or expenses

- 6.17 Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the Court, may apply to the Court for one or more orders, reducing the amount or the basis of fees which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

6.18 Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the fees and/or expenses being complained of. Please note that such challenges may not disturb fees or expenses (whether or not discharged from the estate) disclosed in prior progress reports.

7. CONCLUSION

7.1 The Administration will continue in order to finalise the outstanding matters detailed in paragraph 1.5 above.

7.2 If you require any further information, please do not hesitate to contact my office.



Peter Kubik

Joint Administrator

Peter Kubik and Brian Johnson were appointed Joint Administrators of Hartley Pensions Limited on 29 July 2022. The affairs, business and property of the Company are managed by the Joint Administrators, acting as agents of the Company and without personal liability.

Appendix 1
Statutory information

Company name: Hartley Pensions Limited

Company number: 09469576

Previous names: N/A

Proceedings: Administration

Court: High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD)

Court reference: CR-2022-002357

Joint Administrators: Peter Kubik and Brian Johnson, of UHY Hacker Young LLP, Quadrant House, 4 Thomas More Square, London E1W 1YW

Date of appointment: 29 July 2022

Appointment by: the director of the Company

Registered office: c/o UHY Hacker Young LLP, Quadrant House, 4 Thomas More Square, London, E1W 1YW

DEFINITIONS

The Act	Insolvency Act 1986
The Rules	Insolvency (England & Wales) Rules 2016
The joint administrators	Peter Kubik and Brian Johnson of UHY Hacker Young LLP
The Company	Hartley Pensions Limited - in Administration
The Court	High Court of Justice
SIP	Statement of Insolvency Practice
Review Period	Period covered by the report from 29 January 2023 to 28 July 2023
SIPP	Self-invested personal pension
SSAS	Small self-administered scheme

Appendix 2

Receipts and payments, including trading account, for the period 29 January 2023 to 28 July 2023

	SofA	From 29/01/2023 to 28/07/2023	From 29/07/2022 to 28/07/2023
	£	£	£
Company account			
Receipts			
Amounts owed from within the group	Uncertain	-	-
Bank interest	-	6,482.56	8,074.59
Cash at bank	424,045.84	0.00	461,300.25
IT equipment	Uncertain	-	-
Fixtures and fittings	Uncertain	-	-
Other debtors	Uncertain	173,175.73	647,636.53
Sale of the SIPP/SSAS books	Uncertain	-	-
Trade debtors	Uncertain	-	-
Unlisted investments (Platform One)	Uncertain	-	-
	<u>424,045.84</u>	<u>179,658.29</u>	<u>1,117,011.37</u>
Payments			
Creditor Gateway fees		28.00	56.00
Joint administrators' pre appointment fee		-	39,705.00
Joint administrators' fees		122,542.00	122,542.00
Pension advisors		305.00	610.00
Pre appointment legal fees		32,605.50	246,163.14
Legal fees		111,619.27	111,619.27
Software fee		-	90.00
Specific bond		-	1,200.00
Statutory advertising		-	94.10
		<u>267,099.77</u>	<u>522,079.51</u>
Balance held in interest bearing account			594,931.86

	From 29/01/2023 to 28/07/2023	From 29/07/2022 to 28/07/2023
	£	£
Trading account		
Receipts		
Management fees	1,966,307.50	3,796,193.92
Prepayments	-	1,000.00
	<hr/> 1,966,307.50	<hr/> 3,797,193.92
Payments		
Accounting system	-	400.00
Call centre	178,879.24	359,872.72
Cleaning services	14,513.20	22,035.05
Employee benefits (health/life insurance)	10,310.48	10,310.48
GDPR advisors	7,000.00	7,000.00
Health and safety audit	-	1,294.50
HR advisors	5,695.00	9,685.00
Insurance	6,102.34	277,011.01
IT services	120,801.31	206,531.06
Lease/HP payments	3,103.79	27,723.85
Legal fees and expenses - trading costs	8,115.00	41,240.00
PAYE/NI	218,186.54	355,112.59
Pension contributions	81,249.06	111,175.55
Postage	24,372.58	44,414.68
Rates	11,124.50	11,124.50
Recycling/disposal services	1,769.50	2,662.25
Rent - Blackburn	5,650.00	11,300.00
Rent - Bristol	-	65,677.50
Repairs and maintenance	-	2,727.27
Security services	214.53	637.13
Stationery	334.36	405.04
Storage costs	3,988.87	4,560.49
Subcontractors	202,772.17	355,683.92
Subscriptions	-	436.00
Subsistence	3,198.72	9,330.08
Telephone	14,512.55	26,872.77
Travel/accomodation expenses	59,097.22	146,365.54
Utilities	18,697.16	27,972.61
Wages and salaries	466,028.73	894,503.08
Wilton UK (Group) Limited services	237,461.96	354,128.63
	<hr/> 1,703,178.81	<hr/> 3,388,193.30
Trading surplus/(loss) held in interest bearing account		409,000.62
Represented by		
VAT receivable/(payable)		(82,276.56)
Interest bearing account		1,086,208.74
		<hr/> 1,003,932.18

Please note that in addition to the above, the joint administrators are holding funds which were in Company bank accounts prior to the administration. The joint administrators have not yet been able to reconcile these funds and therefore it is uncertain whether they relate to client funds, company monies or third party funds. Investigations in this respect are ongoing

	From 29/01/2023 to 28/07/2023 £	From 29/07/2022 to 28/07/2023 £
Account one:		
Bank interest	1,444.86	1,763.31
Cash at bank	-	251,000.30
Total held in interest bearing account	1,444.86	252,763.61
Account two:		
Bank interest	13,479.32	16,453.06
Cash at bank	-	2,341,663.68
Total held in interest bearing account	13,479.32	2,358,116.74
Account three:		
Bank interest	557.12	630.21
Cash at bank	-	96,828.27
Total held in interest bearing account	557.12	97,458.48

Appendix 3
The Joint Administrators' time costs for the period 29 January 2023 to 28 July 2023

Classification of work function	Partner		Snr manager		Asst manager		Snr administrator		Administrator		Junior administrator		Total hours	Total cost £	Avg hourly rate £
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£			
Administration and planning															
Case planning	15.50	7,680.00	20.40	7,296.00	1.80	495.00	0.00	0.00	0.00	0.00	1.60	152.00	39.30	15,623.00	397.53
Maintenance of records	0.00	0.00	0.20	96.00	0.00	0.00	0.50	117.50	0.00	0.00	2.80	264.00	3.50	477.50	136.43
Statutory reporting	1.30	858.00	11.90	5,712.00	3.50	897.50	0.00	0.00	0.00	0.00	0.80	64.00	17.50	7,531.50	430.37
Realisation of assets															
Debt collection	0.20	132.00	2.60	1,248.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.80	1,380.00	492.86
Securing and insuring assets	0.00	0.00	0.20	96.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	96.00	480.00
Property, business and asset sales	6.30	4,158.00	4.50	2,160.00	0.30	75.00	0.00	0.00	0.30	58.50	0.00	0.00	11.40	6,451.50	565.92
Creditors															
Creditors' claims	0.10	55.00	0.30	144.00	0.50	137.50	0.50	117.50	0.40	84.00	0.70	70.00	2.50	608.00	243.20
Communication with creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.60	141.00	0.00	0.00	2.50	208.00	3.10	349.00	112.58
Trading															
Accounting for trading	7.30	4,818.00	57.50	27,352.00	40.35	13,102.50	0.00	0.00	0.00	0.00	37.80	3,092.00	142.95	48,364.50	338.33
Management of operations	548.90	343,204.00	1,348.50	548,524.00	61.20	19,352.50	0.00	0.00	108.85	16,363.50	36.80	3,024.00	2,104.25	930,468.00	442.19
On-going employee issues	6.60	4,334.00	33.40	13,319.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	40.00	17,653.00	441.33
Investigations															
CDDA report	0.40	264.00	3.90	1,872.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.30	2,136.00	496.74
Antecedent transactions	1.20	792.00	3.60	1,728.00	0.00	0.00	0.00	0.00	1.20	282.00	38.00	3,040.00	44.00	5,842.00	132.77
TOTAL HOURS	587.80		1,487.00		107.65		1.60		110.75		121.00		2,415.80		
TOTAL TIME CHARGED (£)	£366,295.00		£609,547.00		£34,060.00		£376.00		£16,788.00		£9,914.00		£1,036,980.00		
Average hourly cost (£)	623.16		409.92		316.40		235.00		151.58		81.93		429.25		

All figures are shown net of VAT

Appendix 4
Details of work undertaken

General description	Includes
Administration (including statutory reporting)	
Statutory/advertising	Filing and advertising of documents to meet statutory requirements.
Document maintenance/file review/checklist	Filing of documents. Periodic file reviews, including ethical, anti-money laundering and anti-bribery matters. Maintenance of statutory and case progression task lists/diaries. Updating checklists.
Bank account Administration	Requesting bank statements. Bank account reconciliations. Correspondence with bank regarding specific transfers. Maintenance of the estate cash book. Banking remittances and issuing cheques/BACS payments.
Planning / review	Discussions regarding strategies to be pursued. Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case.
Books and records/storage	Requesting delivery of all records. Arranging IT back up of records.
Creditor reports	Preparing proposal and outcome of decision processes.
Investigations	
Financial Conduct Authority	Correspondence with the FCA re pre Administration regulatory breaches.
Statutory reporting on conduct of director	Liaising with the Insolvency Service.
Ongoing investigations	Correspondence with various parties re transactions identified. Reviewing responses. Reviewing company records and discussions with staff. Liaising with solicitors.
Realisation of assets	
Sale of the SSAS book	Discussions with interested parties re offers. Review of interested parties business plans/financial information. Liaising with HMRC re potential tax liability that may arise. Updating the FCA re interested parties/offers. Considering TUPE regulations.
Debtors	Meetings with director to discuss debtor position. Seeking legal advice re pursuing the intercompany debt. Correspondence with subsequent insolvency practitioners appointed to ascertain potential for return to the company.
Unlisted investments	Liaising with Platform One to identify parties interested in purchasing shares
Trading	
Management of operations	Ensuring security of premises, computer system, equipment and stock. Reviewing how the Company's servers can be removed from the Wilton group Discussions with the both the Bristol and Blackburn landlord to renegotiate terms Arranging a health and safety visit. Discussions with brokers re insurances required.

	<p>Client communication, including providing regular updates on UHY Hacker Young's dedicated Hartley Pensions webpage as well as by email and post</p> <p>Dealing with enquiries raised by the call centre</p> <p>Correspondence with clients regarding transfer requests, requests for transfers out, requests for contributions, death committee duties, pension sharing orders etc.</p> <p>Attending twice daily team lead meetings.</p> <p>Reconciliation of the asset position.</p> <p>Liaising with the directors of the various trustee/special purpose vehicles which hold the assets of the SIPP and SSAS clients for their replacement.</p> <p>Correspondence with the FSCS, FCA, HMRC and RBS.</p> <p>Trading strategy review.</p> <p>Notifying the relevant bodies regarding scams we are alerted to as well as notifying relevant clients affected as well as obtaining GDPR advice.</p> <p>Review of the various terms and conditions attached to the SIPP and SSAS books.</p> <p>Undertaking cost modelling and adjustments to exit and admin charge models</p> <p>Meetings and correspondence with the informal client committee to consider the proposed cost modelling.</p> <p>Preparation and review of the application to court to consider and approve the cost model.</p> <p>Invitation to clients to become the representative respondent, subsequent discussions and meetings</p> <p>Discussions with solicitors and counsel regarding various aspects, including specific trading queries, the application itself, removal of the existing trustee, deficiencies in the records held by the Company regarding client terms and conditions, etc.</p>
Accounting for trading	<p>Arranging payments to suppliers in relation to ongoing trade.</p> <p>Preparing trading budgets.</p> <p>Preparing and updating cash flows.</p> <p>Collecting monthly management fees.</p> <p>VAT returns.</p> <p>Arranging payroll and HMRC submissions.</p>
Ongoing employee issues	<p>Regularly update meetings with employees.</p> <p>Responding to employee queries.</p> <p>Review of terms of agency staff.</p> <p>Reviewing terms of self employed subcontractors.</p>
Creditors (claims and distribution)	
Creditor communication	<p>Receive and follow up creditor enquiries via telephone.</p> <p>Review and prepare correspondence to creditors and their representatives via facsimile, email and post.</p> <p>Assisting employees to pursue claims via the RPO.</p> <p>Instruction to pension specialist to submit s120 notice and review the company pension scheme and ascertain what actions, if any, are required.</p>
Dealing with proofs of debt ('POD')	<p>Receipting and filing POD when not related to a dividend.</p> <p>Corresponding with RPO regarding POD when not related to a dividend.</p>

Appendix 5**Comparison of time costs incurred to date together with the original fee estimate**

The Joint Administrators' time costs incurred to date are compared with the original fee estimate.

Work category	Original fees estimate			Actual time costs incurred during the Review Period			Actual time costs incurred to date		
	Number of hours	Blended hourly rate £ per hour	Total fees £	Number of hours	Average hourly rate £ per hour	Total time costs £	Number of hours	Average hourly rate £ per hour	Total time costs £
Administration	150	500	75,000	60.30	391.91	23,632.00	129.38	320.62	41,482.83
Assets	750	500	450,000	14.40	550.52	7,927.50	103.20	536.72	55,390.00
Creditors	75	500	37,500	5.60	170.89	957.00	59.00	184.08	10,861.00
Investigations	125	500	62,500	48.30	165.18	7,978.00	247.80	130.87	32,428.50
Trading	3,750	500	1,875,000	2,287.20	435.68	996,485.50	4,227.15	439.96	1,859,770.50
Total	4,850	500	250,000	2,415.80	429.25	1,036,980.00	4,766.53	419.58	1,999,932.83

Appendix 6

Comparison of expense incurred to take together with the original expenses estimate

The expenses incurred to date are compared with the original expenses estimate as follows:

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Legal fees and expenses, including counsel	2,500,000.00	1,456,462.44	3,029,416.11	Please note this is likely to exceed the estimate due to the requirement to conduct an orderly transfer of the SIPP schemes, rather than a sale. The revised estimate is £6,007,438.
Agents' fees	120,000.00	-	85,325.00	
Pension specialists	950.00	305.00	610.00	
Employee specialists	2,500.00	-	-	
Advertising	94.10	-	94.10	
Bonding	1,200.00	-	1,200.00	
Storage of records	1,000.00	-	-	
Insolvency software	90.00	-	90.00	
Creditor Gateway fees	84.00	28.00	56.00	
Category 2 expenses: - UHY Hacker Young - Mileage	130,000.00 -	15,066.50 121.07	100,750.00 280.48	It was not initially anticipated that mileage costs would be incurred, and no approval has been obtained in this respect.