
Progress Report to Creditors

20 May 2024

Philips Trust Corporation Limited (In Administration)

*Joint Administrators' Progress Report for the period from 22 April 2023 to
21 April 2024*

Contents

1. Introduction
2. Creditor summary
3. Progress of the Administration
4. Fees, Expenses and Pre-Administration costs
5. Outcome for Creditors
6. Other matters
7. Future strategy

Appendices

Appendix 1 – Statutory information	11
Appendix 2 – Approved Proposals	13
Appendix 3 – Receipts and Payments account	16
Appendix 4 – Costs and Expenses Narrative	18
Appendix 5 – Analysis of Administration Costs and Expenses	20
Appendix 6 – Analysis of time charged	28
Appendix 7 – Narrative of work carried out during the Reporting Period	32
Appendix 8 – Statement of Creditors' rights	35
Appendix 9 – Definitions	36
Appendix 10 – Notice about this report	39
Appendix 11 – Proof of Debt Form	40

1. Introduction

The Joint Administrators were appointed on the Appointment Date by the Court, following an application by the Director.

The Order was made by the High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (Chd), Companies Court, Number 001095 of 2022.

This Progress Report provides an update on the Administration of the Company and the actions undertaken by the Joint Administrators in relation to the Company's continuation to act as Trustee of the Trusts.

The report should be read in conjunction with the Joint Administrators' Statement of Proposals and the Previous Reports which provide information on the background of the Company.

The Joint Administrators have also explained their future strategy for the Administration and how likely it is that they will be able to pay each class of Creditor.

You will find other important information in this Progress Report such as report such as the basis of the Joint Administrators' remuneration and the costs the Joint Administrators have incurred.

This Progress Report is being delivered via the Portal (www.ips-docs.com).

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 9.

Please also note that an important legal notice about this Progress Report to Creditors is attached at Appendix 10.

2. Creditor summary

This Progress Report covers the Reporting Period and should be read in conjunction with the Statement of Proposals and Previous Reports.

Summary of Proposals

The Statement of Proposals were deemed approved by Creditors on 30 June 2022 without modifications.

An overview of those proposals is set out at Appendix 2.

The Joint Administrators' Statement of Proposals issued to the Company's Creditors is available to view via the Portal and at Companies House, and paper copies can be provided free of charge by writing to PTC Case Team, c/o Kroll Advisory Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW.

Progress to date

Please note, this Progress Report provides Creditors with an account of the progress of the Administration of the Company in the Reporting Period and in relation to the Insolvency Estate.

It is not intended to provide a comprehensive account of the activities in relation to the Trust Estate as that is the subject to separate supervision and direction of the Court.

Clients of the Company should refer to the IPS Portal for periodic updates on the Trust Estate matters being dealt with by the Joint Administrators.

The progress of the Administration to date is set out in Section 3 of this report.

Outcome for Creditors

Based on current information available, it is unlikely that there will be sufficient realisations to enable any distribution to be made to the Bank under the terms of its security.

Furthermore, it is unlikely that there will be sufficient funds available to enable a distribution to either the Preferential or Non-Preferential Unsecured Creditors.

This will however be dependent upon (1) the level of future asset realisations in the Insolvency Estate, (2) the level of Secured, Preferential and Unsecured claims arising in the Insolvency Estate and (3) the costs and expenses of the Administration to be discharged in the Insolvency Estate.

Should dividend prospects change for Unsecured Creditors of the Company, this will be detailed in future progress reports.

3. Progress of the Administration

3.1 Continuation of Company acting as Trustee of Trusts

A key objective of the Administration was to enable the Company to continue to act as Trustee of the Trusts under the supervision of the Joint Administrators.

As part of this, the Joint Administrators devised a strategy to deal with the Trust Estate including reconciliation of client accounts and dealing with the administration and realisation of Trust assets.

Several court hearings have taken place at which the Court has been updated on the progress of the Joint Administrators work in line with the Court approved strategy. The Joint Administrators have also provided periodic updates to the FAQ document which details key information in relation to the Trust Estate.

3.2 Insolvency Estate

This section provides an update on the progress of the Administration specifically relating to the Insolvency Estate.

Company Assets are assets included within the Insolvency Estate and which may become available for distribution to the Company's Creditors after the agreed costs and expenses of the Administration have been discharged.

Director's Statement of Affairs

In accordance with Paragraph 47 of Schedule B1 to the Act, the Joint Administrators requested a SOA for the Company as at the Appointment Date from the Director.

Despite repeated requests from the Joint Administrators, the Director still has not provided a completed SOA in respect of the Company. This failure has been notified to BEIS as part of the Joint Administrators statutory reporting obligations.

3.3 Asset realisations

Attached at Appendix 3 is a Receipts and Payments account summarising activity during the Reporting Period and the Cumulative Period.

Details of realisations during the Reporting Period is set out below.

3.3.1 Transfer from Trust Estate to Insolvency Estate

During the Reporting Period, £807,902 was transferred from the Trust Estate to the Insolvency Estate to assist in meeting operational costs incurred and arising as a result of the Company continuing to act as Trustee of the Trusts.

Details of those costs are set out at Appendix 4.

3.3.2 Furniture & Equipment

The Joint Administrators have received a sum of £875 during the Reporting Period in respect of the sale of IT equipment recovered from the Company offices. There will be no further realisations from this source.

3.3.3 Bank Interest

A sum of £829 has been received in respect of bank interest during the Reporting Period.

3.3.4 Overdrawn Director's Loan Account

As detailed in the Previous Report, the latest available trial balance extracted from the Company's Sage account detailed an outstanding director's loan account balance due to the Company in the sum of £134,224. The Joint Administrators are continuing their analysis of the Company's records, however, it is expected that the balance owing will increase.

The Joint Administrators are still in dialogue with the Director and more recently with her legal advisors in relation to the repayment of the initial stated sum and the loan account transactions.

As at the date of this report, no recovery has been made in relation to the loan account. A further update will be provided in the next report.

3.3.5 Investigations

As set out in the Previous Report, the Joint Administrators have complied with their duty to file a report with the BEIS regarding the conduct of any director who held office in three years prior to the Administration.

The Joint Administrators investigations and enquiries have identified certain transactions with certain individuals which are the subject of ongoing review. A further update will be provided in the next progress report.

Should any of the Company's Creditors have information concerning the Company's affairs that they would like to bring to the Joint Administrators' attention, please contact this office.

3.4 Costs and Expenses

Since their appointment, the Joint Administrators have incurred costs and expenses in relation to both the Insolvency Estate and the Trust Estate. Most of those costs incurred result from the continuance of the Company acting as Trustee of the Trusts and pursuing the strategy as sanctioned by the Court.

Included at Appendix 5 is a table summarising the costs incurred in the Reporting Period and the Cumulative Period.

It is noted that whilst some costs may be included in the Insolvency Estate attached at Appendix 5, it is recognised that many of those costs have been incurred as part of performing the role as Trustee and for the benefit of the Clients.

As detailed in Previous Reports, the Joint Administrators sought relief from the Court at the initial Administration application hearing that to the extent that there are insufficient asset realisations in the Insolvency Estate to discharge costs incurred, then the Trust Estate assets could be used to discharge any shortfall.

At the hearing that took place on 6 July 2022, the Court ordered that the sums in which the Joint Administrators are permitted to pay from the Trust Assets shall be subject to the approval of the Court.

The Joint Administrators made an application to Court on 15 February 2023 for the approval of the Administration costs and expenses incurred for the period from the appointment of Administrators to 31 January 2023 in the sum of £841,955.61 (plus any applicable VAT). The application also sought the approval of the Joint Administrators' remuneration and expenses up to the same date (the Costs Application).

As previously reported, at the Costs Application Hearing which took place on 1 March 2023, the Court closely considered the costs and expenses incurred and approved the payment of all costs sought.

It is anticipated that further applications will be made to seek approval of costs and expenses incurred since 31 January 2023. Details of any such applications and court hearings will be provided in future reports to Creditors.

Payments made in the Reporting Period in respect of costs incurred are set out in the attached Receipts and Payments account at Appendix 3.

4. Fees, Expenses and Pre-Administration costs

4.1 Fees and expenses

As detailed in the Proposals, the Joint Administrators sought to agree their fees based on time costs incurred by them and their staff in dealing with matters that arise during the Administration.

Time is charged in six-minute units. Details of the time charged for the Reporting Period are included at Appendix 6.

Given the anticipated deficiency of asset realisations in the Insolvency Estate to discharge the costs incurred, the Court has directed that it will deal with the review and approval of the professional costs and expenses for both the Trust Estate and the Insolvency Estate.

4.1.1 Joint Administrators' time costs

Insolvency Estate

Time costs incurred in the Reporting Period total £122,415, which represents 345 hours at an average hourly rate of £355.

Time costs incurred in the Cumulative Period total £585,373, which represents 1,635 hours at an average hourly rate of £358.

In accordance with SIP 9, the Joint Administrators have provided further narrative detail of the time costs incurred at Appendix 7.

Trust Estate

Time costs incurred in the Reporting Period totals £893,527, representing 2,717 hours at an average hourly rate of £329.

Time costs incurred in the Cumulative Period totals £3,128,845, which represents 9,515 hours at an average hourly rate of £329.

4.1.2 The Costs Application

The Joint Administrators made an application to Court on 15 February 2023 for approval of their costs and expenses to 31 January 2023 (the first Costs Application). The Application included the professional costs incurred pre-appointment, as well as all post-appointment costs incurred in respect of both the Trust Estate and the Insolvency Estate.

This application sought approval of the Joint Administrators time costs in the sum of £2,107,911, of which £2,077,761 was approved by the Court at a hearing on 1 March 2023.

Of this sum, £403,821 related to time incurred in relation to the Insolvency Estate and £1,673,940 in relation to the Trust Estate.

The Joint Administrators also sought approval of their pre-appointment time costs in the sum of £195,533 which was approved in full.

Please refer to Appendix 5 and the Previous Report for details of costs and expenses approved by the Court.

During the Reporting Period, and pursuant to the Court's approval provided at the hearing on 1 March 2023, the Joint Administrators have drawn remuneration of £400,000 in relation to the Insolvency Estate.

The Joint Administrators have also drawn their pre-appointment remuneration in full during the Reporting Period.

4.2 Creditors' rights

Further information regarding the remuneration and expenses of the Joint Administrators, including Creditors' rights to challenge such costs is provided at Appendix 8.

5. Outcome for Creditors

5.1 Secured Creditors

According to the records maintained at Companies House, the Company granted a debenture in favour of Barclays dated 10 March 2021 which confers fixed and floating charges over all the assets of the Company.

The debenture was created following a restructure of the CBILS loan which was subsequently drawn by the Company on 1 April 2021.

The Joint Administrators have received a claim from Barclays of £301,334 in respect of the principal amount of the CBILS loan being £300,000, accrued interest totalling £962 and unauthorised overdraft charges of £372.

The Joint Administrators are unaware of any Company assets which would be caught under Barclays fixed charge security.

Any future distribution to Barclays under its floating charge security will be dependent upon (1) the level of future asset realisations, (2) the level of the Preferential Creditor claims and (3) the costs and expenses of the Administration to be discharged in respect of the Insolvency Estate.

Based on current information available, it appears unlikely that there will be sufficient realisations to enable any distribution to be made to the Bank under its security.

5.2 Preferential Creditors

The Preferential Creditors' claims consist of employee claims for arrears of pay and holiday pay, the majority of which are likely to be subrogated to the BEIS following payment to the employees by the RPS, and secondary preferential claims from HMRC which include claims for VAT, PAYE, income tax and employee NIC. Secondary preferential claims are paid after the other preferential claims are settled in full.

As detailed in the Previous Reports, two former employees of the Company resigned prior to the appointment of the Joint Administrators. As at the Appointment Date, these two employees had arrears of wages for the entirety of March 2022 and as such, have submitted a claim to the RPS in respect of their arrears of wages and unpaid holiday.

Furthermore, the remaining four employees were made redundant and therefore were given the opportunity to submit their claim to the RPS in respect of their unpaid holiday pay.

The Joint Administrators are yet to receive a claim from the RPS but expect this to be received in due course.

According to the Company's books and records, the total indebtedness to HMRC totals circa £95,000. This is in relation to unpaid VAT and PAYE and as such, will rank as a secondary preferential claim behind the employee claims.

The Joint Administrators have received an interim claim from HMRC during the Reporting Period for the sum of £142,175. Of this sum, £138,795 relates to unpaid VAT and PAYE so will rank as a secondary preferential claim.

Based on current information, it appears unlikely that there will be sufficient asset realisations to enable a dividend to be paid to the Preferential Creditors.

A further update will be provided in the next Progress Report to Creditors.

5.3 Prescribed Part

The Prescribed Part is calculated as a percentage of net property, as follows:-

Net property less than £10,000:	50% unless the Joint Administrator considers that the costs of making a distribution to the unsecured creditors would be disproportionate to the benefits.
Net property greater than £10,000:	50% up to £10,000 plus 20% thereafter to a maximum of £800,000.

The Company granted a floating charge to Barclays on 10 March 2021 and therefore, the Prescribed Part provisions will apply.

Based on current information, it is considered unlikely that there will be sufficient asset realisations in the Insolvency Estate to enable a dividend to be paid to Unsecured Creditors via the Prescribed Part.

5.4 Unsecured Creditors

The Joint Administrators have received claims totalling £151,450 to date. Those claims have been received from general trade creditors, HMRC and estate planning Clients.

Whilst it is possible that Clients may assert to have Unsecured Creditor claims against the Company, it is not possible to establish either the existence or quantum at this time.

Any future distribution to Unsecured Creditors will be dependent upon (1) the level of future asset realisations in the Insolvency Estate, (2) the level of Secured, Preferential and Unsecured claims arising in the Insolvency Estate and (3) the costs and expenses of the Administration to be discharged in the Insolvency Estate.

6. Other matters

6.1 Decision procedure

No decision procedure is being sought from Creditors as part of this Progress Report.

6.2 Creditors' Committee

A Creditors' Committee consisting of three Client representatives was established. It was highlighted that the main function of the Creditors' Committee is to assist the Joint Administrators in discharging their duties in respect of the Insolvency Estate.

The Joint Administrators have maintained regular contact with the Creditors' Committee with regards to queries from clients that they have received particularly following on from the communications relating to the distribution plan and transfer requests.

The Joint Administrators will continue to liaise with the Creditors Committee as the Administration progresses and seek to consult with them on matters as and when considered appropriate.

7. Future strategy

7.1 Future conduct of the Administration

The Joint Administrators will continue to manage the affairs, the business, and the property of the Company to achieve the purpose of the Administration. This will include but not be limited to:

- Continue to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect;
- Enable the Company to continue to act as Trustee of the Trusts under the supervision of the Joint Administrators;
- To investigate and, if appropriate, pursue any claims the Company may have for the benefit of the Company's Creditors;
- Paying outstanding costs and expenses of the Administration;
- Dealing with other statutory matters and duties including accounting for VAT and completing corporation tax returns.

Whilst outside of the scope of this report, the Joint Administrators will also be progressing with matters in connection with the Trust Estate, the key workstreams being:

- Dealing with Property transfer and Retirement requests in accordance with the Court Order of 1 November 2022;
- Liaising with the IMC's in relation to the redemption of corporate bond investments upon maturity and the allocation of realisations to the Clients in line with the Distribution Plan approved by the Court on 1 March 2023 to include any enforcement action considered necessary to ensure recoveries are maximised; and
- Liaising with the Building Societies with regards to the voluntary financial support initiative being offered by certain Building Societies to help their customers whose trusts are affected by the collapse of the Company.

Separate correspondence has and will continue to be issued to Clients in respect of the above Trust Estate matters via the IPS Portal and other lines of communication.

7.2 Extension of the Administration

As reported previously, during the hearing on 1 March 2023 the Court ordered that the automatic end of the Administration be extended to 21 April 2026. Further details can be found in the Previous Report.

7.3 Future reporting

The next progress report to Creditors will be made available within one month of 21 April 2025. This is in line with the Court's order that the frequency of the progress reports be extended from six months to annually. Further details can be found in the Previous Report.

Clients continue to be kept apprised of matters relating to the Trust Estate by way of the Portal and Court hearings.

If you require further information or assistance, please do not hesitate to contact a member of the case team.



Geoffrey Bouchier
Joint Administrator

Enc.

The affairs, business and property of the Company are being managed by the Joint Administrators, Geoffrey Bouchier and James Saunders, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

Appendix 1 – Statutory information

Company Information

Company and Trading Name	Philips Trust Corporation Limited	
Date of Incorporation	6 December 2017	
Registered Number	11099933	
Company Director	Kay Collins	
Company Secretary	N/A	
Shareholder	After Today Limited - 100%	
Trading Address	Suite B 11th Floor 5 Exchange Quay Salford M5 3EF	
Registered Office	Current: c/o Kroll Advisory Ltd. The Chancery 58 Spring Gardens Manchester M2 1EW	Former: Suite B 11th Floor 5 Exchange Quay Salford M5 3EF

Administration Information

Administration Appointment	The Administration appointment granted in High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (Chd), Companies Court 001095 of 2022
Appointor	Court Order
Appointment Date	22 April 2022
Joint Administrators	Geoffrey Bouchier and James Saunders
Original Purpose	Achieving a better result for the Company's Creditors than would be likely if the company were wound up (without first being in Administration)
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1
Current Administration Expiry Date	21 April 2026
Prescribed Part	The Prescribed Part is applicable in this case

Application of EC Regulations

EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.

Appendix 2 – Approved Proposals

The Statement of Proposals were deemed approved by the general body of Creditors on 30 September 2022.

Set out below are the approved proposals:

General

- To continue to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect;
- To do all such other things and generally exercise all their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion, consider desirable or expedient to achieve the purpose of the Administration;
- To investigate and, if appropriate, pursue any claims the Company may have for the benefit of the Company's creditors;
- Seek an extension to the Administration period if considered necessary; and
- Enable the Company to continue to act as Trustee of the Trusts under the supervision of the Joint Administrators.

Distributions

- To make distributions to the Secured and Preferential Creditors where funds allow;
- To make distributions to the Unsecured Creditors from the Prescribed Part, where applicable; and
- To make further distributions to the Unsecured Creditors over and above the Prescribed Part, if funds become available and apply to Court for authority to do so, where applicable.

End of Administration

That the Joint Administrators might use any or a combination of the following exit route strategies to bring the Administration to an end:

- Apply to Court for the Administration order to cease to have effect from a specified time and for the return of control to the Director;
- Place the Company into Creditors' Voluntary Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Geoffrey Bouchier and James Saunders of Kroll would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation. The creditors may nominate a different person as the proposed Liquidator, provided the nomination is received at this office prior to the approval of these Proposals.

Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;

- Petition to the Court for a winding-up order placing the Company into Compulsory Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Geoffrey Bouchier and James Saunders of Kroll would act as Joint Liquidators should the Company be placed into Compulsory Liquidation without further recourse to creditors. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;
- Take the necessary steps to give notice of move from Administration to dissolution with the Registrar of Companies because (1) the Company has no remaining property which might permit a distribution to its creditors, and (2) all outstanding matters have been satisfactorily completed.

Alternatively, the Joint Administrators may allow the Administration to end automatically.

The following resolutions were sought from the Creditor Committee in line with current insolvency legislation:

Remuneration and pre-Administration Costs

- That the Joint Administrators' remuneration in connection with the Insolvency Estate be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration;
- That the Joint Administrators' Fee Estimate provided in Appendix 5 in the total sum of £770,735, is approved;
- That the Joint Administrators be authorised to pay the following expenses to associates in dealing with the Administration ("Category 2 Expenses"):
 - Mileage allowance payments to staff at the rate of 45p per mile
 - Travel, accommodation, and subsistence payments for staff
- That the unpaid Pre-Administration costs totalling £266,315 plus VAT as detailed in the Joint Administrators' Statement of Pre-Administration costs and fees is approved for payment as an expense of the Administration.
- Where a Creditors' Committee is formed, the Joint Administrators' will seek to obtain approval from the Creditors' Committee.

Discharge of Liability

- That the Joint Administrators be discharged from all liability in respect of any actions as Joint Administrators upon filing their final Receipts and Payments Account with the Registrar of Companies or their appointment otherwise ceasing.

- Where a Creditors' Committee is formed, the Joint Administrator's will seek to obtain approval from the Creditors' Committee.

Following discussions that took place between the Joint Administrators and the Creditor Committee it was determined that that these resolutions would not be voted on by the Creditor Committee, and instead best dealt with by the Court.

Appendix 3 – Receipts and Payments account

Philips Trust Corporation Limited (In Administration)

Joint Administrators' Summary of Receipts & Payments - Insolvency Estate

Statement of Affairs £	From 22 April 2023 To 21 April 2024 £	From 22 April 2022 To 21 April 2024 £
ASSET REALISATIONS / RECEIPTS		
Bank Interest Gross	829.17	840.27
Chattel assets	NIL	86.04
Estate Planning Services	NIL	1,570.58
External Investments	NIL	473.90
Furniture & Equipment	875.00	875.00
Transfer from Trust Estate (Note 1)	807,902.07	954,104.09
	809,606.24	957,949.88
COST OF REALISATIONS / PAYMENTS		
Accountants Fees	NIL	(4,732.50)
Agents/Valuers Fees	(500.00)	(500.00)
Bordereau	(225.00)	(225.00)
Insurance of Assets	(6,384.22)	(12,149.95)
IT Costs	(3,121.51)	(12,119.53)
Joint Administrators' Disbursements	(5,869.87)	(5,869.87)
Joint Administrators' Disbursements (Pre-Apppt)	(105.74)	(105.74)
Joint Administrators' Remuneration	(400,000.00)	(400,000.00)
Joint Administrators' Remuneration (Pre-Apppt)	(195,533.00)	(195,533.00)
Litigation Support Fees	(48,015.50)	(48,015.50)
Marketing	NIL	(2,975.00)
PAYE & NI	(19,844.27)	(19,844.27)
PR Support	(1,650.00)	(2,550.00)
Professional Fees	NIL	(450.00)
Rates	(2,331.22)	(2,331.22)
Re-Direction of Mail	(570.00)	(1,089.00)
Rents Payable	NIL	(14,052.56)
Stationery & Postage	(2,009.48)	(25,288.52)
Statutory Advertising	NIL	(103.50)
Storage Costs	(1.40)	(554.32)
Wages & Salaries	NIL	(70,188.01)
	(686,161.21)	(818,677.49)
	123,445.03	139,272.39
REPRESENTED BY		
Joint Administrators' Floating Charge Bank Account		58,714.27
General VAT control account		80,558.12
		139,272.39

Note 1: Monies transferred from the Trust Estate to discharge costs and expenses of the Administration in line with Berkeley Applegate Order.

Philips Trust Corporation Limited (In Administration)

Joint Administrators' Summary of Receipts & Payments - Trust Estate

Statement of Affairs £	From 22 April 2023 To 21 April 2024 £	From 22 April 2022 To 21 April 2024 £
RECEIPTS		
Fees - External Investment Requests	1,300.00	1,300.00
Fees - Property Transfer and Retirement Requests	420,500.00	845,800.00
Fees - Trust Registration with HMRC	24,125.00	53,125.00
HMRC - Repayments	NIL	1,844.30
Gross Bank Interest	14,318.64	14,589.24
Investment Recoveries	2,222,187.53	2,758,529.90
Miscellaneous Receipt	269.88	449.80
Sundry Refunds	1,981.77	6,286.28
Trust account balance as at the Appointment Date	NIL	127,556.36
Trust Property - Realisation Proceeds	302,257.50	522,257.50
	2,986,940.32	4,331,738.38
PAYMENTS		
Accountants Fees and Disbursements	NIL	(52,043.00)
Agents/Valuers Fees	NIL	(1,505.00)
Costs re. Call Centre	NIL	(19,841.73)
Costs relating to Property Sale	(4,779.00)	(7,631.35)
IT Costs	NIL	(9,070.00)
Legal Disbursements	(18,882.66)	(18,882.66)
Legal Disbursements - TFR Requests	(13,165.00)	(13,165.00)
Legal Disbursements - Pre Insolvency	(6,431.07)	(6,431.07)
Legal Fees	(100,000.00)	(100,000.00)
Legal Fees - TFR Requests	(166,000.00)	(268,750.00)
Legal Fees - Pre Insolvency	(35,880.33)	(35,880.33)
Professional Fees - Tax Matters	(130,230.00)	(263,267.50)
Professional Fees - Trust Registration	(6,625.00)	(116,180.00)
Property Maintenance Costs	NIL	(70.00)
Transfer to Insolvency Estate (Note 1)	(807,902.07)	(954,104.09)
Trust Property - Net Distribution to Client	(287,965.20)	(495,692.98)
	(1,577,860.33)	(2,362,514.71)
	1,409,079.99	1,969,223.67
REPRESENTED BY		
General VAT control account		109,985.83
Joint Administrators' Trust Estate Bank Account		1,860,087.84
VAT payable		(850.00)
		1,969,223.67

Note 1: Monies transferred from the Trust Estate to discharge costs and expenses of the Administration in line with Berkeley Applegate Order.

Appendix 4 – Costs and Expenses Narrative

Summaries of significant payments made during the Reporting Period are detailed below:

Insolvency Estate

PAYE / NI Contributions

A sum of £19,844 has been paid to HMRC during the Reporting Period in respect of PAYE and national insurance contributions owed for the period the employees were retained by the Joint Administrators.

Insurance

A sum of £6,384 has been paid to Specialist Risk Insurance Solutions Ltd in relation to vacant property insurance required to ensure the Company is complying with its duty as Trustee.

Rates

During the Reporting Period, a sum of £2,331 has been paid to Salford City Council in respect of business rates owed for the period the Joint Administrators occupied the Company's leasehold premises.

Stationery & Postage

A sum of £2,009 has been paid to Accurate Mailing Services Ltd during the Reporting Period in respect of postage costs to issue correspondence to all the Company's known clients.

Trust Estate

Professional Fees

As trustee, the Company has an obligation to complete self-assessment tax returns for all Trusts at the end of each tax year.

A sum of £130,230 has been paid to EK Williams Accountants during the Reporting Period in relation to completing the self-assessment returns to HMRC and dealing with ad-hoc queries in respect of 1,066 Trusts.

Legal Fees & Disbursements

A sum of £100,000 has been paid to Glaisyers Solicitors LLP in relation to legal advice provided to Joint Administrators in respect of both the Insolvency and Trust estate. In addition, a sum of £18,883 has been paid to Glaisyers Solicitors LLP in relation to disbursements incurred in dealing with Insolvency and Trust Estate matters such as counsel costs and applications to Court Hearings.

Payment of these costs was approved by the Court at the hearing that took place on 1 March 2023.

Trust Registration

The Company has an obligation as trustee to register all trusts with HMRC by 1 September 2022.

As such, the Joint Administrators engaged Apex to assist with the administrative processing of registrations with HMRC for all Trusts where the Company was validly appointed Trustee that had not previously been registered according to the Company records.

As the Company records were incomplete, the Joint Administrators are continuing to register trusts with HMRC once there is evidence to support that the Company was validly appointed Trustee.

During the Reporting Period, a sum of £6,625 has been paid to Apex in respect of registering trusts with HMRC.

Legal Fees – Transfer Requests

At the hearing on 1 November 2023, the Court ordered that the Joint Administrators be granted authority to proceed with requests from Trust Clients with Property assets to either (1) retire the Company as the Corporate Trustee of the Trust and/or (2) to transfer the Property out of Trust.

The Court approved the Joint Administrators' costs and expenses of £2,000 plus VAT and a further £125 plus VAT (where applicable), for the registration of the trust with HMRC.

The Joint Administrators' costs and expenses were broken down as follows:

- ❖ £1,250 plus VAT as a contribution towards the general costs and expenses of the Administration based on those costs and expenses as at 1 November 2022;
- ❖ £750 plus VAT in respect of the Joint Administrators' legal fees for preparing the necessary documentation; and
- ❖ £125 plus VAT where a Trust has been registered with HMRC.

The nature of the costs in point 1 above are a blend of direct costs involved in dealing with a Client transfer request and the general costs of dealing with the Trust Assets and the Administration as a whole, pursuant to the Order of 22 April 2022.

The cost of registering the Trust with HMRC is a hard cost incurred by the Joint Administrators on behalf of the Trust.

During the Reporting Period, the Joint Administrators have paid a sum of £166,000 plus VAT to Glaisyers in respect of legal fees for preparing the necessary documentation to action 222 client transfer requests.

The Joint Administrators have also paid a sum of £13,165 plus VAT to Glaisyers in respect of legal disbursements incurred in relation to preparing and submitting client transfer requests.

Appendix 5 – Analysis of Administration Costs and Expenses

Additional Information relating to Costs and Expenses incurred in the Reporting Period

Expenses

Expenses are any payments from the Administration which are neither an Administrator's remuneration nor a distribution to a creditor or member. Expenses also include disbursements. Disbursements are payments which are first met by the Administrator and then reimbursed to the Administrator from the Administration.

Expenses are divided into those that do not need approval before they are charged to the Administration (Category 1) and those that do (Category 2).

Category 1 Expenses are payments to persons providing the service to which the expense relates who are not an associate of the Administrator.

Category 2 Expenses are payments to associates or which have an element of shared costs and require approval from creditors in the same manner as the Administrator's remuneration, whether paid directly from the estate or as a disbursement.

The Joint Administrators provided in their Proposals report to creditors an estimate of expenses for the Administration, totalling £261,061. This was for information purposes only and could possibly change over the course of the Administration. Appendix 5 also details the expenses incurred and paid for the Reporting Period.

At the Court Hearing that took place on 1 March 2023, as detailed in section 4.1 and 4.2 of this report, the Court approved the Joint Administrators' Category 1 and 2 Expenses up to 31 January 2023 in respect of both the Insolvency Estate and Trust Estate.

It is anticipated the Joint Administrators will seek approval of further expenses from the Court at future hearings.

Attached at Appendix 7 is a narrative summary of the work carried out to assist Creditors in understanding the progress of the Administration, the associated costs and expenses of the related activities and the financial benefit to Creditors.

Details of how to obtain further information relating to the fees and expenses of the Joint Administrators is set out at Appendix 8.

Costs approved by the Court

Pre-Administration costs

Pre-Administration costs are fees, charges and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner before the Company entered Administration but with a view to it doing so.

In accordance with SIP 9, the Joint Administrators have provided further narrative detail of the time costs incurred at Appendix 7.

Total pre-Administration costs incurred is set out below:

Pre-Administration Costs	Paid (£)	Paid Prior to ADM (£)	Total (£)
Kroll	195,533	Nil	195,533
Guildhall Chambers (Counsel)	6,431	1,869	8,300
Glaisyers	35,880	10,427	46,307
Total	237,844	12,296	250,140

At the Court Hearing that took place on 1 March 2023, and as noted above at section 4.1, the Court approved the payment of all pre-Administration costs.

During the Reporting Period, pre-Administration costs have been paid in full.

Insolvency Estate

At the Court Hearing that took place on 1 March 2023, the Court ordered that the Joint Administrators' costs and expenses in relation to the Insolvency Estate to 31 January 2023, incurred pursuant to paragraph 7 of the November Order, are approved in the sum of £841,955.61 (plus any applicable VAT), which can be broken down as follows:

Costs and Expenses to 31 January 2023 – Insolvency Estate	Total (£)
Kroll – Pre-Appointment Time Costs	£195,533.00
Kroll – Post-Appointment Time Costs	£403,821.10
Kroll – Category 2 Disbursements	£35,012.00
Pre-Appointment Expenses	£54,887.50
Category 1 Expenses	£152,702.01
Total	£841,955.61

It is anticipated that the Joint Administrators will seek approval of further costs and expenses relating to the Insolvency Estate from the Court at future hearings.

As detailed above at Section 4.1, the Joint Administrators have drawn remuneration in the sum of £400,000 during the Reporting Period.

Trust Estate

At the Court Hearing that took place on 1 March 2023, the Court ordered that the Joint Administrators' costs and expenses in relation to the Trust Estate to 31 January 2023, incurred pursuant to paragraph 6 of the November Order, are approved in the sum of £2,106,054.78 (plus any applicable VAT), which can be broken down as follows:

Costs and Expenses to 31 January 2023 – Trust Estate	Total (£)
Kroll – Post-Appointment Time Costs	£1,673,940.30
Category 1 Expenses	£432,114.48
Total	£2,106,054.78

No remuneration has been paid to date in respect of the Trust Estate time costs incurred to date.

It is anticipated that the Joint Administrators will seek approval of further costs and expenses relating to the Trust Estate from the Court at future hearings.

Details of the time charged for the Reporting Period are attached at Appendix 6.

Joint Administrators' Expenses: comparison with estimate

Expenses	Original expenses estimate £	Actual expenses incurred in the Reporting Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Public Relations	2,975	Nil	2,975	
Agents' and valuers' costs	750	500	2,005	Agents' fees incurred in respect of vacant property inspections
Re-Direction of Mail	519	570	1,089	Extension of re-direction of mail required to continue to monitor correspondence
Accounting fees and disbursements	10,000	Nil	4,732	
Forensic Accountants fees	60,000	Nil	52,043	
Advertising	104	Nil	104	
Insurance	1,500	6,384	12,150	Insurance of vacant properties belonging to Trusts in which the Company is Trustee
Bonding	225	Nil	225	
Storage costs	500	1	554	Expenses incurred in respect of storage of the Company books and records.
Solicitors Fees & Expenses	150,000	54,425	165,075	Legal advice in respect of Insolvency and Trust estate matters
Counsel	15,000	Nil	18,350	Costs incurred by Counsel in relation to various court orders
Mileage (own car usage)	2,000	92	3,749	Expenses incurred in respect of attendance at the Leasehold Premises and various other meetings relating to the Company.
Travel and Subsistence	3,000	Nil	2,210	Expenses incurred in respect of attendance at the Leasehold Premises.
Khadija	14,488	22,185	56,799	Litigation support fees re Relativity
Postage	Nil	2,009	25,289	Expenses incurred in respect of physical correspondence issued to clients.
IT Costs	Nil	2,187	21,605	Expenses incurred in respect of ongoing use of the Companies IT services to complete the reconciliation exercise.
Rent	Nil	Nil	14,053	Rent incurred in respect of the Leasehold Premises.
Wages and Salaries	Nil	Nil	70,188	Wages incurred in respect of the employees retained to assist with the reconciliation exercise.
HMRC	Nil	Nil	19,844	PAYE/NI incurred in respect of employees retained to assist with the reconciliation exercise
Call Centre	Nil	Nil	19,842	Call centre engaged to assist with client correspondence.
Apex	Nil	6,625	116,180	Engaged to register Trusts with HMRC
Land Registry	Nil	69	4,896	Land Registry searches completed as part of the reconciliation.

Expenses	Original expenses estimate £	Actual expenses incurred in the Reporting Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
PR Support	Nil	1,650	2,550	Comms support for September and October
Property Maintenance	Nil	Nil	70	Property maintenance provided in respect of Clients property
Legal Fees and Disbursements – Transfer Requests	Nil	195,550	298,300	Legal costs to process Property Transfer requests as approved by the Court
Investigations	Nil	Nil	450	Services provided to assist with the Joint Administrators investigations
EK Williams	Nil	130,230	263,268	Expenses incurred in respect of completing self-assessment returns for all Trusts registered with HMRC
Salford City Council	Nil	Nil	2,331	Business rates incurred whilst occupying the Leasehold Premises.
TOTAL	261,061	422,477	1,180,926	

Notes

The above costs exclude VAT.

Joint Administrators' Expenses: Category 1 and Category 2

Insolvency Estate

Category 1 Expenses	Company	Activity	Fee Basis	Reporting Period		Cumulative Period	
				Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
	Accurate Mailing Services	Postage of statutory documents	As incurred	2,009	2,009	24,229	24,229
	AON	Statutory bond processing	Fixed fee	Nil	225	225	225
	AUA Insurance Services	Asset insurance	Fixed fee	6,384	6,384	12,150	12,150
	Awareness Software	IT Services – server hosting and Office365	As incurred	72	72	3,734	3,734
	CBRE	Rent	Per license	Nil	Nil	14,053	14,053
	Champion Accountants	Payroll Processing and Investigations	As incurred	Nil	Nil	4,732	4,732
	Cicero Consulting	Comms Support	As incurred	1,650	1,650	2,550	2,550
	Courts Advertising Limited	Statutory Advertising	Fixed fee	Nil	Nil	104	104
	FP Mailing North of England Limited	IT Services – printer maintenance and provider of ink at Head Office	As incurred	Nil	Nil	1,060	1,060
	Glaisyers	Legal advice in respect of the Insolvency Estate	As incurred	Nil	Nil	10,117	Nil
	HM Revenue & Customs	PAYE / NI due in respect of retained employees	As incurred	Nil	19,844	19,844	19,844
	Ionos	IT Services – WEMS fee	As incurred	1,615	1,200	1,615	1,200
	James Delargy	IT Services – website management	As incurred	1,350	1,350	2,840	2,840
	NC Investigation Services (NCIS) Ltd	Investigations	Fixed fee	Nil	Nil	450	450
	Royal Mail Group Ltd	Re-direction of mail	Fixed fee	570	570	1,089	1,089
	SAGE	IT Services – accounting software	As incurred	Nil	Nil	1,445	1,445
	Salford City Council	Business rates incurred whilst occupying the premises	As incurred	Nil	2,331	2,331	2,331

SIA Group	Valuation of assets	As incurred	500	500	500	500
Spreckley Partners Limited	Marketing / media agents	Fixed fee	Nil	Nil	2,975	2,975
Squire Patton Boggs (UK) LLP	Legal advice in respect of the Insolvency Estate	As incurred	TBC	Nil	TBC	Nil
TD Software	IT Services – server hosting and IT support in respect of the Company's CRM system	As incurred	500	500	2,901	2,901
Total Data Management	Storage	Fixed fee	1	1	554	554
Wages and Salaries	Staff costs	As incurred	Nil	Nil	70,188	70,188
Total			13,301	36,636	179,686	169,154

Category 2 Expenses			Reporting Period		Cumulative Period	
Company	Activity	Fee Basis	Incurring (£)	Paid (£)	Incurring (£)	Paid (£)
Kroll	Staff mileage to site whilst trading	45p per mile	92	3,657	3,749	3,657
Kroll	Travel & Subsistence costs	As incurred	Nil	2,210	2,210	2,210
Khadija	Litigation support fees including Relativity Costs	As incurred	22,185	48,016	56,799	48,016
Total			22,277	53,883	62,758	53,883

Trust Estate

Category 1 Expenses			Reporting Period		Cumulative Period	
Company	Activity	Fee Basis	Incurring (£)	Paid (£)	Incurring (£)	Paid (£)
AM Property Solutions	Property Maintenance	Fixed fee	Nil	Nil	70	70
Apex	Trust Registration costs	Fixed fee of £125 per Trust	6,625	6,625	116,180	116,180
Dains Accountants	Forensic Accounting	Fixed fee	Nil	Nil	52,043	52,043

EK Williams	Self-Assessment Returns	Fixed fee	130,230	130,230	263,268	263,268
Glaisyers	Legal advice in respect of the Trust Estate	As incurred	54,425	100,000	154,425	100,000
Glaisyers	Legal disbursements in respect of the Trust Estate	As incurred	Nil	533	533	533
Glaisyers	Transfer Requests Fees	Fixed fee per Property	175,900	166,000	278,650	268,750
Glaisyers	Transfer Request Disbursements	As incurred	19,650	13,165	19,650	13,165
Guidehall Chambers	Counsel advice upon Court application	As incurred	Nil	18,350	18,350	18,350
Land Registry	Property searches	Fixed fee of £3 per search	69	3	4,896	3
Sitel	External call centre	As incurred	Nil	Nil	14,974	14,974
Squire Patton Boggs (UK) LLP	Legal advice in respect of the Trust Estate	As incurred	TBC	Nil	TBC	Nil
Ventrica	External call centre	As incurred	Nil	Nil	4,868	4,868
Vigilance Properties Ltd	Property Inspections	As incurred	Nil	Nil	1,505	1,505
Wolters Kluwer (UK) Ltd	IT Services - CCH System	As incurred	Nil	Nil	9,070	9,070
Total			386,899	434,906	938,482	862,779

Notes

The above costs exclude VAT.

The Joint Administrators' choice of professional advisors was based on their perception of the experience and ability of the respective firms/individuals to perform their work, the complexity and nature of the assignment and the basis of their fee.

Kroll Advisory Ltd., being the employer of the Joint Administrators and the staff working on the Administration, is considered an associate of the Administrators.

It is considered that these expenses are fair and reasonable and proportionate to the Administration.

Appendix 6 – Analysis of time charged

Joint Administrators' Fees

Philips Trust Corporation Limited (In Administration)

Analysis of the Joint Administrators' Post-Appointment Time Costs for the Insolvency Estate, for the Reporting Period

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg. Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
Administration And Planning								
Case Review & Case Diary Management	0.50	2.30	0.20	11.95	0.00	14.95	3,825.50	255.89
Cashiering & Accounting	0.00	28.20	5.25	66.45	0.00	99.90	30,967.50	309.98
Insurance	0.00	0.00	0.50	0.30	0.00	0.80	250.00	312.50
Statutory matters (Meetings & Reports & Notices)	8.60	16.55	1.00	40.85	0.00	67.00	25,902.50	386.60
Strategy planning & control (incl engagement financial control)	0.00	21.70	10.80	22.10	0.00	54.60	19,666.50	360.19
Tax Compliance & Planning	0.00	0.90	0.00	0.70	0.00	1.60	649.00	405.63
Creditors								
Comm. w/ Creditors/Employees	1.50	1.00	0.00	0.50	0.00	3.00	1,710.00	570.00
Creditors Committee	0.00	1.80	0.00	0.00	0.00	1.80	1,008.00	560.00
Dealings with Creditors & Employees	2.50	3.15	0.00	9.65	0.00	15.30	5,278.50	345.00
Non-Pref Creditors / Employee Claims Handling	0.00	0.00	0.00	1.95	0.00	1.95	402.50	206.41
Investigations								
CDDA & Reports & Communication	0.00	3.70	2.40	3.30	0.00	9.40	3,629.00	386.06
Financial Review & Investigations (S238/239 etc)	1.30	30.10	10.55	28.55	0.00	70.50	26,851.60	380.87
Realisation Of Assets								
Book Debts	0.00	3.80	0.00	0.00	0.00	3.80	1,938.00	510.00
Freehold & Leasehold Property	0.00	0.20	0.00	0.00	0.00	0.20	112.00	560.00
Other Tangible Assets	0.00	0.40	0.00	0.00	0.00	0.40	224.00	560.00
Total Hours	14.40	113.80	30.70	186.30	0.00	345.20		354.62
Total Fees Claimed (£)	10,800.00	59,220.00	10,374.60	42,020.00	0.00		122,414.60	

Philips Trust Corporation Limited (In Administration)

Analysis of the Joint Administrators' Post-Appointment Time Costs for the Trust Estate, for the Reporting Period

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg. Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
All Trusts								
All Trust Client Communications	1.00	189.65	32.40	467.05	0.00	690.10	205,831.50	298.26
Dealings with Building Societies	0.90	54.70	66.70	0.00	0.00	122.30	60,971.50	498.54
Dealings with FCA	1.50	8.60	0.40	0.00	0.00	10.50	6,219.00	592.29
Investment Plan - Allocation & Distribution	3.20	12.50	2.85	84.70	0.00	103.25	24,084.00	233.26
Other Trust Matters (LPA, Estate Planning)	3.70	5.55	1.80	16.60	0.00	27.65	9,621.00	347.96
Press / Media	2.30	0.00	0.00	0.40	0.00	2.70	1,825.00	675.93
Retirement Requests	0.00	54.85	67.10	226.60	0.00	348.55	98,684.00	283.13
Strategy Planning & Control	0.00	0.30	0.00	1.90	0.00	2.20	453.00	205.91
Trust Registration & Other Regulatory Matters	1.30	5.90	8.25	68.15	0.00	83.60	18,063.50	216.07
Trust Strategy, Planning and Control	0.90	54.60	4.30	11.10	0.00	70.90	34,538.00	487.14
Wet Trusts								
Client Communications	7.30	1.20	5.90	12.30	0.00	26.70	10,694.00	400.52
Dealings with External Investments	0.00	16.70	16.60	29.50	0.00	62.80	20,198.00	321.62
Dealings with Investment Houses (including Withdrawal, Redemption)	20.50	256.90	5.70	2.15	0.00	285.25	163,776.50	574.15
Distribution Plan (Client Dealings)	0.00	50.55	1.00	169.00	0.00	220.55	68,412.00	310.19
Investment Plan - Allocation & Distribution	0.00	4.25	0.10	9.10	0.00	13.45	3,856.00	286.69
Realisation & Allocation of Investments	1.90	11.80	0.90	6.40	0.00	21.00	9,345.00	445.00
Reconciliation of Investments to Trusts	0.00	5.50	3.05	5.30	0.00	13.85	5,439.00	392.71
Review of Investment Strategy and Investment Valuation	0.00	1.40	0.10	0.00	0.00	1.50	817.00	544.67
Strategy Planning & Control	0.00	0.00	1.30	0.00	0.00	1.30	494.00	380.00
Tax Matters	0.00	9.40	0.90	28.20	0.00	38.50	11,551.00	300.03
Dry Trusts								
Client Communications	0.90	6.25	5.00	0.70	0.00	12.85	6,581.00	512.14
Property Management & Sales	0.00	3.35	2.20	2.60	0.00	8.15	2,820.50	346.07
Property Transfer Requests	0.40	68.25	43.10	371.95	0.00	483.70	115,654.50	239.10
Reconciliation of Property Assets to Trusts	0.00	0.00	0.00	14.35	0.00	14.35	2,707.50	188.68
Strategy Planning & Control	0.00	1.00	0.30	0.00	0.00	1.30	713.00	548.46
Tax Matters	0.00	0.80	1.50	48.00	0.00	50.30	10,177.00	202.33
Total Hours	45.80	824.00	271.45	1,576.05	0.00	2,717.30		328.83
Total Fees Claimed (£)	34,350.00	455,966.00	101,480.00	301,730.50	0.00		893,526.50	

Philips Trust Corporation Limited (In Administration)

Analysis of the Joint Administrators' Post Appointment Time Costs for the Insolvency Estate, for the Cumulative Period

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg. Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
Administration And Planning								
Case Review & Case Diary Management	7.40	5.10	4.15	20.50	0.00	37.15	12,492.50	336.27
Cashiering & Accounting	0.00	70.60	5.05	184.85	0.00	260.50	74,351.00	285.42
Dealings with Directors & Management	1.40	5.00	3.50	5.15	0.00	15.05	5,581.50	370.86
Insurance	0.00	0.00	2.20	1.70	0.00	3.90	1,095.00	280.77
IPS Set Up & Maintenance	0.00	0.10	0.25	2.65	0.00	3.00	619.00	206.33
Statement of Affairs	0.20	1.10	0.00	0.00	0.00	1.30	746.00	573.85
Statutory matters (Meetings & Reports & Notices)	56.20	99.70	30.70	102.00	0.00	288.60	121,645.00	421.50
Strategy planning & control (incl engagement financial control)	29.70	108.25	68.60	219.75	0.00	426.30	132,770.00	311.45
Tax Compliance & Planning	0.00	1.45	0.55	5.35	0.00	7.35	1,960.00	266.67
Creditors								
Comm. w/ Creditors/Employees	1.50	1.00	0.00	0.50	0.00	3.00	1,710.00	570.00
Creditors Committee	23.90	44.90	10.00	40.90	0.00	119.70	51,479.50	430.07
Dealings with Creditors & Employees	6.20	26.10	8.35	30.95	0.00	71.60	26,587.00	371.33
Non-Pref Creditors / Employee Claims Handling	0.00	0.30	0.85	16.05	0.00	17.20	3,471.00	201.80
Secured Creditors	1.50	1.05	0.00	0.10	0.00	2.65	1,556.50	587.36
Investigations								
CDDA & Reports & Communication	3.00	13.15	0.10	25.80	0.00	42.05	14,057.50	334.30
Financial Review & Investigations (S238/239 etc)	20.80	124.30	11.80	72.70	0.00	229.60	95,011.70	413.81
Forensic Sales Ledger Investigation	0.00	0.90	0.00	0.00	0.00	0.90	459.00	510.00
Realisation Of Assets								
Book Debts	0.00	4.60	0.00	0.00	0.00	4.60	2,361.00	513.26
Freehold & Leasehold Property	0.20	14.30	0.00	14.00	0.00	28.50	10,798.00	378.88
Hire Purchase & Lease Assets	0.00	1.20	0.00	0.00	0.00	1.20	672.00	560.00
Other Tangible Assets	0.20	3.60	0.00	0.00	0.00	3.80	1,966.00	517.37
Review of Trade Debtors & Collectability	0.00	1.10	0.00	0.00	0.00	1.10	561.00	510.00
Trading / Head Office								
Accounting	0.00	0.30	0.00	0.00	0.00	0.30	117.00	390.00
Discussions with Suppliers & Landlord	0.30	0.00	13.55	5.80	0.00	19.65	5,768.50	293.56
Employees	0.80	7.50	0.00	3.85	0.00	12.15	4,607.50	379.22
Insurance	0.00	0.25	0.00	0.00	0.00	0.25	97.50	390.00
Operations	0.00	26.40	4.45	2.70	0.00	33.55	12,832.50	382.49
Total Hours	153.30	562.25	164.10	755.30	0.00	1,634.95		358.04
Total Fees Claimed (£)	105,475.00	278,208.85	54,340.35	147,349.00	0.00		585,373.20	

Philips Trust Corporation Limited (In Administration)

Analysis of the Joint Administrators' Post-Appointment Time Costs for the Trust Estate, for the Cumulative Period

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg. Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
All Trusts								
All Trust Client Communications	24.80	398.85	101.55	1,565.45	0.00	2,090.65	554,295.50	265.13
Dealings with Building Societies	0.90	54.70	66.70	0.00	0.00	122.30	60,971.50	498.54
Call Centre Dealings	0.00	17.60	12.00	1.90	0.00	31.50	13,832.50	439.13
Dealings with FCA	8.90	17.80	0.60	0.10	0.00	27.40	16,628.00	606.86
Court Application / Directions / Hearings	151.80	161.65	72.75	53.40	0.00	439.60	214,974.00	489.02
Investment Plan - Allocation & Distribution	23.40	50.35	4.70	118.95	0.00	197.40	65,660.50	332.63
Other Trust Matters (LPA, Estate Planning)	3.70	12.40	2.05	91.90	0.00	110.05	24,494.50	222.58
Press / Media	2.30	0.00	0.00	0.40	0.00	2.70	1,825.00	675.93
Retirement Requests	0.00	121.10	233.70	655.05	0.00	1,009.85	275,359.00	272.67
Strategy Planning & Control	103.60	196.75	28.55	294.70	0.00	623.60	235,032.00	376.90
Trust Registration & Other Regulatory Matters	7.40	31.95	19.45	201.50	0.00	260.30	61,304.00	235.51
Trust Strategy, Planning and Control	0.90	54.60	4.30	11.10	0.00	70.90	34,538.00	487.14
Wet Trusts								
Call Centre Dealings	0.00	8.50	27.50	0.00	0.00	36.00	14,297.50	397.15
Client Communications	7.30	13.25	6.50	52.95	0.00	80.00	26,490.50	331.13
Dealings with External Investments	0.00	23.35	16.60	40.70	0.00	80.65	25,874.00	320.82
Dealings with FCA	1.00	0.60	0.00	0.00	0.00	1.60	1,086.00	678.75
Dealings with Investment Houses (including Withdrawal, Redemption)	20.50	256.90	5.70	2.15	0.00	285.25	163,776.50	574.15
Dealings with Investment Management Companies	14.50	115.30	0.00	3.00	0.00	132.80	74,857.00	563.68
Distribution Plan (Client Dealings)	0.00	59.45	1.00	192.55	0.00	253.00	78,768.50	311.34
Investment Plan - Allocation & Distribution	21.20	38.25	17.25	18.40	0.00	95.10	44,409.00	466.97
Preparation of Client Account Summaries / Reports	6.80	17.45	0.10	82.35	0.00	106.70	34,312.50	321.58
Realisation & Allocation of Investments	4.60	15.30	1.60	7.80	0.00	29.30	13,827.00	471.91
Reconciliation of Investments to Trusts	217.60	336.05	396.30	45.35	0.00	995.30	413,016.80	414.97
Review of Investment Strategy and Investment Valuation	0.40	24.10	0.10	10.70	0.00	35.30	14,832.50	420.18
Strategy Planning & Control	13.90	21.85	1.75	0.30	0.00	37.80	22,334.50	590.86
Tax Matters	0.20	17.60	1.10	69.80	0.00	88.70	23,047.00	259.83
Dry Trusts								
Call Centre Dealings	0.20	0.00	0.50	0.00	0.00	0.70	315.00	450.00
Client Communications	16.50	53.00	9.85	56.25	0.00	135.60	52,688.00	388.55
Dealings with FCA	0.00	0.40	0.00	0.00	0.00	0.40	224.00	560.00
Property Management & Sales	5.00	42.35	61.60	103.50	0.00	212.45	61,016.00	287.20
Property Transfer Requests	5.90	224.55	202.70	892.00	0.00	1,325.15	354,746.50	267.70
Reconciliation of Property Assets to Trusts	0.80	21.55	0.25	338.45	0.00	361.05	62,650.50	173.52
Strategy Planning & Control	18.70	73.90	5.90	10.80	0.00	109.30	55,794.00	510.47
Tax Matters	1.20	18.90	1.95	104.10	0.00	126.15	31,567.50	250.24
Total Hours	684.00	2,500.35	1,304.60	5,025.60	0.00	9,514.55		328.85
Total Fees Claimed (£)	493,920.00	1,265,711.80	424,425.50	944,788.00	0.00		3,128,845.30	

Appendix 7 – Narrative of work carried out during the Reporting Period

The key areas of work have been:

SIP 9 narrative for the Reporting Period	
Administration and planning	<ul style="list-style-type: none"> • Monitoring and reviewing the Administration strategy; • Briefing staff on the Administration strategy and matters in relation to workstreams; • Regular case management and reviewing of process including regular team update meetings and calls; • Discussions with management and legal advisors following the Administration Order; • Reviewing and authorising junior staff correspondence and other work; • Dealing with queries arising during the appointment; • Reviewing matters affecting the outcome of the Administration; • Allocating and managing staff/ case resourcing and budgeting exercises and reviews; • Complying with internal filing and information recording practices, including documenting strategy decisions; • Companies House and Court filings; • Dealing with the interaction and co-ordination between the Client Estate and the Insolvency Estate; • Dealings with Directors and management; • Setting up the Administration on our internal systems and on the Portal; and • Dealings with the Creditors Committee
Creditors	<ul style="list-style-type: none"> • Updating the list of Unsecured Creditors; • Responding to enquiries from Creditors regarding the Administration and submission of their claims; • Reviewing completed forms submitted by Creditors, recording claim amounts, and maintaining claim records; and • Drafting the Joint Administrators' Statement of Proposals and statutory Progress Reports; • Providing written and oral updates to the Secured Creditor regarding the progress of the Administration and cases strategy; and • Maintaining the Portal.
Investigations	<ul style="list-style-type: none"> • Managing and reviewing the Company books and records; • Investigating the affairs of the Company to identify any actions available to the Company against third parties in respect of antecedent transactions or other litigation; • Obtaining records from third parties; • Conducting interviews with counterparties and officeholders; • Enquiring with counterparties who has raised disputes against the Company;

	<ul style="list-style-type: none"> • Reviewing pre-appointment transactions; and • Documenting investigations; • Completing a detailed bank statement analysis noting that there are 18 bank accounts that we are currently aware of; and • Statutory investigations and reporting requirements to the Secretary of State in respect of directors' conduct and any resulting correspondence with the BEIS.
Statutory and compliance	<ul style="list-style-type: none"> • Ensuring compliance with all statutory obligations within the relevant timescales; • Uploading information to the Creditors' Portal; • Drafting and publishing progress reports; • Running decision procedures; • Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9; • Monitoring the fees estimate; and • Monitoring the expenses estimate.
Cashiering	<ul style="list-style-type: none"> • Preparing statutory Receipts and Payments Accounts; and • Renewing bonding and complying with statutory requirements;
Asset realisations	<ul style="list-style-type: none"> • Collating information from the Company's records regarding assets; • Reviewing outstanding debtors and management of debt collection strategy; • Communicating with landlords regarding rent; property occupation and other property issues; • Liaising with third parties regarding costs incurred; • Liaise with legal advisors regarding the potential legal recovery in relation to future legal claims; • Paying rent due on the Company's remaining premises; • Reviewing and agreeing invoices; • Reviewing costs incurred to ensure recorded accurately; and • Arranging payments to agents and solicitors in a timely manner; and • Realising any other unencumbered tangible and intangible assets, where possible.
Tax	<ul style="list-style-type: none"> • Analysing and considering the tax effects of asset sales; • Working on tax returns relating to the periods affected by the Administrator; • Analysing VAT related transactions; reviewing the Company's duty position to ensure compliance with duty requirements; and • Dealing with post appointment tax compliance.

Building Societies	<ul style="list-style-type: none">• Dealings with various building societies with regards to data sharing and matching exercise; and• Dialogue with various building societies with regards to potential voluntary financial assistance package.
--------------------	---

Appendix 8 – Statement of Creditors' rights

Rule numbers refer to *Insolvency (England & Wales) Rules 2016 (as amended)*

Section or paragraph numbers refer to *Insolvency Act 1986*

If you require a copy of any relevant rule or section, please contact the PTC Case Team at PTC@Kroll.com

Information for Creditors on remuneration and expenses of Administrators

Information regarding the fees and expenses of Administrators, including details of Kroll's expense policy and hourly charge out rates for each grade of staff that may undertake work on this case, can be viewed and downloaded from the Kroll website at:

<https://www.kroll.com/en-gb/services/restructuring-advisory/creditor-guides-and-employee-fact-sheets>

Click on the document - Creditor Guides (amended for changes introduced by the Insolvency (England & Wales) Rules 2016 from 6 April 2017) – Administrations.

Should you require a copy (at no cost), please contact this office.

Creditors' requests for further information

If you would like to request more information about the Joint Administrators' remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from Unsecured Creditors must be made with the concurrence of at least 5% in value of Unsecured Creditors (including, the Unsecured Creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of the Joint Administrators' remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

The full text of the relevant rules can be provided on request by writing to PTC Case Team, c/o Kroll Advisory Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW.

Appendix 9 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Appointment Date	22 April 2022, being the date of appointment of the Joint Administrators
Barclays / the Bank	Barclays Bank plc, with whom the Company banked
BEIS	Department for Business, Energy & Industrial Strategy
Building Societies	Leeds Building Society, Newcastle Building Society and Nottingham Building Society
Category 1 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to persons providing the service to which the expense relates and who are not an associate of the Administrator. These expenses can be paid without prior approval
Category 2 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to associates or where there is an element of shared costs. Such expenses require approval by creditors before payment
CBILS	Coronavirus Business Interruption Loan Scheme
Clients	The settlor(s) of each of the trusts of which the Company is the trustee, as defined by the Order
the Company / PTC	Philips Trust Corporation Limited (In Administration) (Company Number: 11099933)
the Court	High Court of Justice, Business and Property Courts of England and Wales
the Court Order	Court Orders of 1 November 2022 and 1 March 2023, available via the Portal
the Cumulative Period	22 April 2022 to 21 April 2024
Dains	Dains Accountants Limited, independent third-party accountants instructed, initially by the Company and then the Joint Administrators, to undertake a forensic reconstruction of the Company's client ledger
the Director	Kay Collins, the sole director of the Company
EC Regulation	EC Regulation on Insolvency Proceedings 2000

Glaisyers	Glaisyers Solicitors LLP, solicitors engaged to provide legal assistance with the Administration and trust matters
HMRC	HM Revenue and Customs
IMCs	Investment Management Companies, being the four privately owned UK entities where the trust investments have been made on behalf of the Company's trust clients in the form of unsecured corporate / investment bonds
Insolvency Estate	The assets and liabilities of the Company in Administration, which exclude the Trust Estate
the Joint Administrators	Geoffrey Bouchier of Kroll, The Shard, 32 London Bridge Street, London, SE1 9SG and James Saunders of Kroll, The Chancery, 58 Spring Gardens, Manchester, M2 1EW
Kroll	Kroll Advisory Ltd.
Leasehold Premises	The Company's leasehold premises at Suite B 11th Floor, 5 Exchange Quay Salford, M5 3EF
NIC	National Insurance Contributions
the November Order	The Court Order dated 1 November 2022, available via the Portal
the Order	The Court Order dated 22 April 2022 obtained in the High Court of Justice, Business and Property Courts of England & Wales (ChD) (Court Number: CR-2022-001095)
PAYE	Pay As You Earn
the Portal	The online portal where documents issued to Clients and creditors of the Company have been uploaded
Preferential Creditor(s)	A creditor with a claim that ranks in priority to other Unsecured Creditors, to floating charge holders and the prescribed part. Preferential debts are either 'ordinary', such as certain employee claims, or 'secondary', such as HMRC's claims for VAT and PAYE income tax, which will rank for payment after the ordinary preferential claims are paid in full.
the Prescribed Part	Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to Unsecured Creditors
the Previous Reports	The Joint Administrators' Progress Reports to Creditors dated 21 November 2022 and 19 May 2023

the Report to Court	The Proposed Administrators' Report to Court dated 11 April 2022 contained in the Administration application
The Reporting Period	22 April 2023 to 21 April 2024
RPS	Redundancy Payments Service
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
the Sealed Court Order	the Sealed Court Order dated 2 November 2022, available via the Portal
the Secured Creditor / BSTL	Barclays Security Trustee Limited, the holder of a debenture conferring of fixed and floating charges over the Company's assets
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and expenses
SOA	Statement of Affairs, documentation to be supplied by the Director outlining the Company's financial position as at the Appointment Date
the Statement of Proposals	The Joint Administrators' Report to Creditors and Statement of Proposals dated 15 June 2022
Trust	A legal arrangement created by a settlor whereby a person (a trustee) holds property as its nominal owner for the benefit of one or more beneficiaries
Trust Estate	The assets subject to Trust and which are under the control, and supervision, of the Company
VAT	Value Added Tax

Appendix 10 – Notice about this report

This report has been prepared by Geoffrey Bouchier and James Saunders, the Joint Administrators of the Company, solely to comply with their statutory duty to report to Creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of any financial interest in the Company or any other company in the same group.

Any estimated outcomes for Creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for Creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Geoffrey Bouchier and James Saunders are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Kroll Advisory Ltd does not assume any responsibility and will not accept any liability to any person in respect of this Progress Report or the conduct of the Administration.

Appendix 11 – Proof of Debt Form

Rule 14.4
 IR 2016

PROOF OF DEBT - GENERAL FORM

Philips Trust Corporation Limited - in Administration	
Company Registration No. 11099933	
Date of Administration: 22 April 2022	
1.	Name of Creditor (If a company please also give company registration number and if non-UK, country of registration)
2.	Address of Creditor for correspondence
	Contact telephone number of creditor
	Email address of creditor
REF	
3.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25
4.	Details of any documents by reference to which the debt can be substantiated (please attach)
5.	If amount in 3 above includes outstanding uncapitalised interest please state amount
£	
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)
7.	Particulars of any security held, the value of the security, and the date it was given
8.	Particulars of any reservation of title claimed, in respect of goods supplied to which the claim relates
9.	Signature of creditor or person authorised to act on his behalf
	Name in BLOCK LETTERS
	DATE
	Are you the sole member of the creditor?
YES / NO	
	Position with or in relation to creditor
	----- Address of person signing (if different from 2 above)
Admitted to vote for £	
Admitted for dividend for £	
Date	Date
Administrator	Administrator