

**BLANKSTONE SINGTON LIMITED  
(IN SPECIAL ADMINISTRATION)**

**High Court of Justice, Business and Property Courts of England and Wales  
Court Ref: CR-2023-005672**

**Company Registered Number: 02378144  
Registered office address: c/o Leonard Curtis, Riverside House, Irwell Street,  
Manchester M3 5EN**

**Joint Special Administrators' Second Progress Report**

**Report period  
13 April 2024 to 12 October 2024**

**12 November 2024**

<https://www.leonardcurtis.co.uk/case/blankstone>

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Ref: M/20/ZMI/BD14K/1010**

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**TO: THE REGISTRAR OF COMPANIES  
ALL CLIENTS  
ALL CREDITORS**

**1 INTRODUCTION AND EXECUTIVE SUMMARY**

- 1.1 For clarity and simplicity, in this progress report, we use various definitions and abbreviations, a glossary of which is listed at Appendix A. All required statutory information is also included in the Appendices. Unless otherwise stated, all amounts in this progress report are stated net of VAT.
- 1.2 This progress report has been produced in accordance with Rule 122 of the Rules to provide Clients and Creditors with an update on the progress of the Special Administration of the Company for the six-month period from 13 April 2024 to 12 October 2024. This is the Special Administrators' Second progress report to Clients and Creditors.
- 1.3 The Special Administrators circulated their Proposals to all known Clients and Creditors on 23 November 2023. The Initial Meeting of Clients and Creditors was held on 13 December 2023, at which the Proposals were approved by the Clients and Creditors without modification.
- 1.4 You are encouraged to read this progress report in conjunction with the Proposals issued on 23 November 2023 and First Progress Report issued on 10 May 2024 which can be found at <https://www.leonardcurtis.co.uk/case/blankstone>.

**Summary of actions to date**

- 1.5 During the period of this report, the Special Administrators have (among other things):
- Completed the legal transfer under the Sales and Purchase Agreement ("SPA") to Redmayne-Bentley LLP ("Redmayne") of the vast majority of Custody Assets and Client Money held by the Company;
  - Maintained operations at the Company's Premises with a view to achieving the Objectives of the Special Administration;
  - Completed an Anti-Money Laundering ("AML") process for clients to facilitate the transfer to Redmayne, allowing for on boarding of clients;
  - Confirmed FSCS eligibility for all clients;
  - Issued each Client with Client Statements;
  - Arranged the physical transfer of custody assets and client monies to Redmayne;
  - Submitted the initial drawdown request for FSCS compensation to cover the costs associated with the Special Administration;
  - Repayment of funding provided by FileFigure 30 Limited in the sum of £2,488,288.90 following receipt of the FSCS drawdown;
  - Liaised with clients who were unable to transfer to Redmayne, to arrange the transfer to a new broker or liquidation of their assets;
  - Issued consolidated tax statements for clients for the tax year 2023/24;
  - Issued consolidated tax statements for clients in relation to the period from 6 April 2024 to 17 June 2024;
  - Liaised routinely with all of the relevant market infrastructure bodies and Authorities and, in particular, have been in frequent contact with the FCA and FSCS;

- Held a third Client and Creditor Committee meeting on 17 September 2024 to provide an update following the transfer of clients;
- Continued to liaise with Clients via the use of the dedicated webpage <https://www.leonardcurtis.co.uk/case/blankstone> , designated email address and in-house helpdesk operated by the Company's own employees and Leonard Curtis staff;
- Continued to liaise with the Creditors' Committee on a regular basis, including regarding the Distribution Plan and the basis of the Administrators' remuneration; and
- Instructed third party auditors, Crowe, to assist with the Administrators' final reconciliation of the Custody Assets and Client Money as at the Transfer Date.

**Return of Custody Assets and Client Money by way of transfer to Redmayne-Bentley LLP**

- 1.6 During the reporting period, the Special Administrators obtained approval from the High Court for the Distribution Plan and Client Money Order on 9 May 2024. This approval enabled the Special Administrators to return the majority of Custody Assets and Client Money through a single bulk transfer to the new nominated broker, Redmayne.
- 1.7 The Special Administrators engaged in extensive discussions with Redmayne to finalise the terms and operational procedures regarding the transfer of the majority of the client accounts. The legal transfer of the majority of custody assets and client money to Redmayne was successfully executed on 17 June 2024.
- 1.8 The Special Administrators have established an agreement with the Financial Services Compensation Scheme ("FSCS") concerning the strategy and timeline for compensating clients for the shortfall that would arise from deducting administration costs from client money and custody assets. As a result of this collaboration, all clients, along with their custody assets and client money, have been fully reimbursed through a transfer to Redmayne, without any deductions to cover the expenses associated with the Special Administration.
- 1.9 The Special Administrator, in collaboration with Redmayne, provided regular updates to clients through the website <https://www.leonardcurtis.co.uk/case/blankstone> . The initial notification regarding the transfer to Redmayne was issued on 13 May 2024. To further assist clients during the transition, a dedicated brochure outlining the business ethos of Redmayne was also made available to clients. The purpose of this brochure was to keep clients well-informed between the transfer date of 17 June 2024, and the 'go live' date of 1 July 2024, at which point clients gained access to their Custody Assets and Client Money.
- 1.10 In addition, the Special Administrators have committed substantial staffing resources to support the onboarding of clients at Redmayne. This initiative was aimed to facilitate clients' access to their custody assets and/or client money at the earliest opportunity.
- 1.11 All eligible Clients transferred to Redmayne by way of a single bulk transfer, representing over 99% of the Company's Clients.
- 1.12 A small number of clients were not eligible for transfer to Redmayne. These clients were individually contacted by the Special Administrators to discuss available options for the return of their Custody Assets and/or Client Money.
- 1.13 The assets and/or client money of these clients were being held at Redmayne under a sub-custody arrangement, pending their selection from the options provided by the Special Administrators. These clients as at the date of this report have successfully had their assets and monies returned or transferred to their nominated broker.
- 1.14 To summarise the Client transfer process:
- The Majority of Clients have had their Custody Assets and Client Money returned by way of the transfer to Redmayne.

- 13 Clients were not eligible to be transferred to Redmayne. These clients have since had their custody assets and monies returned or transferred to their nominated broker.

- 1.15 The Special Administrators continue to receive a small number of dividends and receipts in respect of corporate actions post-Settlement Date. All such receipts received by the Company are being transferred to Redmayne or clients on a daily / regular basis.

### **Anticipated Outcome for Clients and Creditors**

#### **Clients**

- 1.16 A Court hearing was held on 7 May 2024 at which the Court approved the Distribution Plan and the transfer of the Client Money Pool. The sealed order approving the Distribution Plan and Client Money application was provided by the Court on 9 May 2024, accordingly the effective date of the Distribution Plan was 9 May 2024.
- 1.17 The Special Administrators confirm that c99% of Clients Custody Assets and Client Money have been returned in accordance with the Regulations by way of transfer to Redmayne on 17 June 2024. A small number of exceptions are for clients who were not eligible to transfer to Redmayne. The Special Administrators have liaised directly with these clients to arrange the transfer of their Clients Custody Assets and Client Money. The Joint Special Administrators have completed these transfers and/or liquidated the assets and returned the client monies.
- 1.18 During the reporting period, the FSCS confirmed that the vast majority of clients were eligible to receive compensation for costs incurred in the process of returning Client Assets. A small number of clients who were deemed not eligible have been contacted separately. Ultimately, it was agreed upon by the Special Administrators, in consultation with the FSCS, that the costs for these ineligible clients would be waived.
- 1.19 It is not anticipated that any Client will suffer a shortfall in Client Assets following a reconciliation exercise carried out by Crowe UK in respect of Custody Assets and Client Money. Should this position change, the respective Clients may be eligible to claim from the FSCS compensation scheme for such losses up to a limit of £85,000 per claimant.
- 1.20 The full return of Client Assets to Clients was only possible because of compensation paid by FSCS to cover the costs incurred during the Special Administration which would otherwise be payable out of Client Money and Custody Assets.

#### **Creditors**

- 1.21 Any potential distribution to preferential, secondary preferential and unsecured creditors is dependent upon the level of realisation of House Assets, the associated costs of realisation and the costs involved in pursuing Objectives 2 and 3.
- 1.22 It is anticipated that there will be sufficient realisations to enable a distribution to preferential and secondary preferential creditors in full. A distribution is anticipated to be paid to unsecured creditors; however, the quantum is not yet known and will be subject to the final claims of the preferential and secondary preferential creditors.

#### **What Do Clients Need to Do?**

- 1.23 This report is provided for information purposes only, and no further action is required on your part. The transfer of client Custody Assets and/or Client Money has been successfully completed to Redmayne or alternative brokers or following liquidation of portfolios have been returned direct to

clients. Blankstone Sington Limited no longer retains any client assets or client money. If you believe that your Custody Assets and/or Client Money have not been transferred to Redmayne, or if they have not been returned, disposed of, or distributed and still remain with the Company, please contact us as soon as possible using the following information:

- Email: blankstone@leonardcurtis.co.uk
- Telephone: 0161 831 9999 (open 9am – 5pm Monday to Friday)
- In writing: Blankstone Sington Limited (in Special Administration), Leonard Curtis, Riverside House, Irwell Street, Manchester M3 5EN

## **2 STATUTORY INFORMATION**

- 2.1 Andrew Poxon, Alex Cadwallader and Hilary Pascoe were appointed as Joint Special Administrators of Blankstone Sington Limited in the jurisdiction of the High Court of Justice, Business and Property Courts of England and Wales, number CR-2023-005672 on 13 October 2023. The Special Administration appointment was made by the Order of the Court.
- 2.2 On 1 May 2024 the name of Leonard Curtis Recovery Limited ("LCR") was changed to Leonard Curtis (UK) Limited, trading as Leonard Curtis. The appointed insolvency practitioners and the staff working on the case remain unchanged.
- 2.3 The Company traded from leasehold premises located at 10<sup>th</sup> Floor, Walker House, Exchange Flags, Liverpool L2 3YL.
- 2.4 The Special Administration is being handled by the Manchester office of Leonard Curtis, which is situated at Riverside House, Irwell Street, Manchester M3 5EN.
- 2.5 The registered office address of the Company at the date of the appointment of the Special Administrators was 10<sup>th</sup> Floor, Walker House, Exchange Flags, Liverpool L2 3YL. Following the appointment, this was changed to Riverside House, Irwell Street, Manchester M3 5EN. The registered number of the Company is 02378144.
- 2.6 For the purposes of paragraph 100(2) of Schedule B1 of the Act (as amended and as applied by Regulation 15 of the Regulations), it should be noted that, during the period in which the Special Administration is in force, any act or function required to be authorised under any enactment to be done by the Special Administrators may be exercised by all or any of the persons holding that office.
- 2.7 Please note that neither the EU Regulation on Insolvency Proceedings (2015/848) nor the UK Insolvency Regulation applies to the Special Administration.

## **3 JOINT ADMINISTRATORS' PROPOSALS**

- 3.1 On 23 November 2023, the Special Administrators circulated their Proposals for achieving the purpose of the Special Administration to all known Clients and Creditors. An Initial Meeting of Clients and Creditors was held on 13 December 2023 and 139 Clients and Creditors attended either in person or by proxy.
- 3.2 At the Initial Meeting, Clients and Creditors approved the Proposals without modification. In addition, the Clients and Creditors resolved that a Client and Creditors' Committee should be formed.
- 3.3 As set out in the Special Administrators' first progress report, the Special Administrators have three Objectives, which are set out in the Regulations, namely:
- a) Objective 1, which is to ensure the return of Client Assets as soon as is reasonably practicable;

- b) Objective 2, which is to ensure timely engagement with market infrastructure bodies and the Authorities; and
  - c) Objective 3, which is either: (i) to rescue the investment bank as a going concern; or (ii) to wind it up in the best interests of its creditors.
- 3.4 The Regulations require the Special Administrators to commence work on each Objective immediately following their appointment, prioritising the order of work on each Objective as they think fit in order to achieve the best outcome overall for Clients and Creditors.
- 3.5 The FCA have not given directions to the Administrators under Regulation 16 to prioritise one or more of the Objectives.
- 3.6 The Special Administrators commenced work on achieving each of the three Objectives immediately following their appointment. The Administrators have achieved Objective 1 by way of completing the transfer of Client Assets to Redmayne and/or the transfer to an alternative broker nominated by those clients not eligible to transfer to Redmayne.
- 3.7 The Special Administrators, immediately upon their appointment, engaged with the market infrastructure bodies and Authorities, whom have assisted with the process of transferring the Client Assets. Therefore, Objective 2 has been achieved.
- 3.8 The Special Administrators consider that it is not possible to rescue the Company as a going concern (as referred to in c) (i) above and, therefore, in pursuing Objective 3, the Administrators are taking appropriate steps to wind up the Company's affairs (in accordance with c) (ii) above).
- 3.9 There have been no amendments to, or deviations from, the Proposals during the course of the Special Administration to date.

#### **4 SUMMARY OF ACTIONS TO DATE**

- 4.1 This section provides Clients and Creditors with an update on the Special Administrators' strategy for the Special Administration and progress to 12 October 2024.

##### **Objective 1: Ensuring the return of Client Assets as soon as reasonably practicable**

##### **Return of Custody Assets and Client Money**

##### **Claims**

- 4.2 As set out in the Special Administrators' Report and Proposals, on 14 November 2023, the Administrators set the Bar Dates under Regulation 11 (in respect of Custody Assets) and Regulation 12A (in respect of Client Money) for Clients to submit claims to holdings of Client Assets via the Client Portal. The Bar Dates expired at 5.00pm on 14 December 2023.
- 4.3 Following expiry of the Bar Dates, a notice under Rule 143 was issued on 19 December 2023 to Clients who, according to the Company's records or information received by the Administrators, are eligible to make a claim, but from whom the Administrators had not yet received a claim to Custody Assets or Client Money. The notice permitted eligible Clients an additional 14 business days from receipt of the notice to submit a claim in accordance with the Rules. This period expired on 15 January 2024.
- 4.4 During the Bar Date period, 89.7% of all Client accounts (over 1,306 accounts out of 1,455) had been submitted through the Client Portal or via post. A small number of submissions had been received where Clients had disputed their client statements; however, these were not material disputes and were mainly clarificatory. Where Clients submitted an incomplete claim, the Special Administrators undertook steps to confirm the Clients correct intended position and all such claims were fully submitted and resolved.

**Open Transactions**

- 4.5 The Administrators have been in contact with the LSE, and CREST and Allfunds, who provide stock broking clearing. At the date of Special Administration, there were no unsettled trades.

**Distribution Plan**

- 4.6 In order to return Custody Assets, under the Regulations, the Administrators were required to prepare a Distribution Plan and accompanying Explanatory Statement for approval by the Creditors' Committee and the Court.
- 4.7 The Distribution Plan was approved by the Creditors' Committee on 16 April 2024. The approved Distribution Plan was circulated to Clients on 23 April 2024. The documents provided Clients with information regarding (i) how the Special Administrators propose to transfer Custody Assets, (ii) to whom Custody Assets will be transferred, (iii) how the costs of the transfer of Custody Assets are to be allocated and (iv) how the Special Administrators are working with FSCS to reimburse those transfer costs for eligible Clients (to the extent permissible under FSCS's rules). The Court approved the Distribution Plan on 7 May 2024. The effective date of the Distribution Plan was 9 May 2024, being the date of the Court Order issued.
- 4.8 The Distribution Plan has been implemented as the majority of Clients have had their Custody Assets and Client Money returned in full by way of transfer to Redmayne. A small number of clients, whom were not eligible to transfer to Redmayne, have since had their assets transferred to a nominated broker or alternatively the assets have been liquidated and monies returned to the respective clients.

**Client Money Order**

- 4.9 Clients who had a claim in respect of the Client Money Pool ("CMP") held by the Company were notified on 23 April 2024 that a Court hearing was listed for 7 May 2024 (i.e. at the same time as the Distribution Plan hearing) for an application concerning Client Money held by the Company. The purpose of the application was to seek confirmation from the Court that the Company could transfer the CMP to the nominated broker (Redmayne) in accordance with the Regulations and the Rules. Directions were also sought in relation to the process of resolving any disputes as to the existence or extent of Clients' Client Money entitlements and protection of the Company and the Administrators from any claims which might be made by someone who established their Client Money entitlement only after the transfer has been made in circumstances where the Administrators were not aware of that entitlement at the Transfer Date.
- 4.10 The application to Court to approve the methodology of distribution of Client Money was approved by the Court on 7 May 2024. The effective date of the Distribution Plan was 9 May 2024, being the date of the Court Order issued.

**Transfer to Nominated Broker**

- 4.11 The Administrators considered that the quickest and most cost-effective way for Custody Assets and Client Money to be returned to Clients was by way of transfer to one or more brokers who are regulated by the FCA.
- 4.12 The single regulated broker selected by the Administrators was Redmayne. Redmayne is a registered company in England and Wales (registration no. OC344361), is authorised and regulated in the UK by the FCA under registration no. 499510 and is a member of the LSE. The identity of the Administrators' selected broker was disclosed to the FCA and the FSCS. The Creditors' Committee were also consulted on the Administrators' choice of Redmayne. On 23 April 2024, Clients were officially notified of the nominated broker's identity.
- 4.13 The transfer to Redmayne of the vast majority of the Custody Assets and Client Money held by the Company completed on 17 June 2024, in accordance with:
- (i) the Rules and Regulations, forming part of the legislative regime governing the Special Administration of the Company;
  - (ii) the sale and purchase agreement entered into between the Company, Redmayne and the Administrators on 28 March 2024; and

- (iii) the Court order obtained sanctioning the Distribution Plan and the Client Money Order on 7 May 2024.

- 4.14 Following completion, the SPA required the buyer (Redmayne) to finalise preparing its systems to operate and reconcile the Custody Assets and Client Money received and to conclude its on-boarding checks within 10 business days of the settlement date being 1 July 2024.
- 4.15 Following the transfer, Clients became subject to Redmayne terms of business. As part of the transfer amendments were made to Redmayne standard terms of business to provide for certain necessary protections for Clients, including that (a) Clients switching to a different broker within three months of the Settlement Date will not be required to pay exit fees to Redmayne, and (b) for a period of 21 days from the Settlement Date, clients are permitted to request to transfer back to Blankstone.
- 4.16 For a period of 21 days following the Settlement Date, clients were afforded the opportunity to request a Reverse Transfer of their Custody Assets and/or Client Money back to the Company. The Joint Special Administrators can confirm that no requests for reverse transfer were received prior to the expiration of this 21-day period.

### **Physical Certificate**

- 4.17 The Company held a number of share certificates in its physical custody. The physical certificates were reviewed as part of the CASS reconciliation conducted by Crowe, prior to the transfer to Redmayne. On completion of the transfer, the share certificates were delivered by the Administrators to Redmayne. A process of re-registration of the share certificates from the Company to Redmayne has been conducted by Redmayne in conjunction with the relevant registrar / company.

### **Securities which have not transferred to Redmayne**

- 4.18 There are three stock lines held at Allfunds which are still to be registered in Redmayne's name. The stocks are held in Oakwood Nominees Limited which was transferred to Redmayne. This is a technical exercise and the Special Administrators are liaising with Allfunds and Redmayne to assist with the process.

### **Clients who have not transferred to Redmayne**

- 4.19 Prior to the transfer date, it was determined that 13 clients were not eligible to transfer to Redmayne and would therefore remain clients of the company. A sub-custody arrangement was established with the buyer, allowing these clients to transfer their Custody Assets and/or Client Money to Redmayne but remaining under the control of Blankstone. It was agreed that the Special Administrators would contact these clients to provide them with an instruction form, which would facilitate the collection of any additional information, if necessary, as well as gather their elections. This process was intended to enable the eventual return of their Custody Assets and/or Client Money, either through a distribution to the clients or a transfer to an alternative broker at a later date.
- 4.20 The Special Administrators have reached out to all 13 clients to inform them of the options for the return of their Custody Assets and/or Client Money. All 13 clients engaged in this process, and it was identified that one of these clients could be onboarded with Redmayne, contingent upon the receipt of additional information from them.
- 4.21 As at the date of this report all clients have been transferred to a new broker or their portfolios have been liquidated and the resultant funds and client monies have been returned direct to clients. Additionally, it is important to note that some residual funds from dividends related to the ineligible clients have been received and will be transferred to the new brokers or client direct upon receipt.

### **Client Communication**

- 4.22 The Administrators have implemented a range of different methods for communicating with Clients in a coordinated, timely and cost-effective way, each of which is discussed below.
- 4.23 The Administrators' dedicated webpage (<https://www.leonardcurtis.co.uk/case/blankstone>) was operational immediately following their appointment.

- 4.24 An external call centre and a designated email address to allow Clients to raise queries were also operational immediately after the Administrators' appointment. The Company's website was updated shortly after the Administrators' appointment, referring Clients to the dedicated webpage, call centre and email address.
- 4.25 As the transfer to Redmayne has now been successfully completed, clients are encouraged to reach out directly to Redmayne at 0151 433 9363 or to their nominated broker.
- 4.26 The Administrators have issued several communications to Clients including statutory notifications notifying Clients of the Administrators' appointment and a list of frequently asked questions.
- 4.27 Client Statements containing details of Custody Assets and Client Money were issued to Clients on 9 November 2023.
- 4.28 The Administrators also developed a Client Portal to act as the principal interface between the Company and Clients. Clients were invited to submit their claims and to confirm the valuation of their assets via the Client Portal.
- 4.29 To date, the Administrators have published two Client Statements on the Portal. The statements remain available to view on the Client Portal, but Clients are no longer able to agree their holdings of Custody Assets and/or Client Money.
- 4.30 Clients who had previously expressed their preference to receive correspondence in paper form were sent copies of all relevant correspondence by post (including a Client Claim Form as an alternative to submitting a claim through the Client Portal).
- 4.31 Client correspondence was issued to Clients on 23 April 2024 in respect of the application to Court in respect of the Distribution Plan and the transfer of the Client Money Pool. This letter disclosed Redmayne as the nominated broker.
- 4.32 Client correspondence was issued on 8 May 2024, which included an updated asset valuation and details of any dividends received. Additionally, it provided an update regarding their eligibility for Financial Services Compensation Scheme (FSCS) compensation to cover the costs associated with transferring their assets to another broker.
- 4.33 On June 24 2024, a further communication was disseminated to clients to inform them about the impending transfer to a new brokerage firm. This correspondence comprehensively outlined the implications of this transition for clients, including critical information regarding the closure of the existing website. Clients were strongly urged to download any historical documentation prior to the website's deactivation. Additionally, the communication provided detailed instructions concerning the transfer process to the new broker, as well as the procedures for requesting a reverse transfer back to the Company.
- 4.34 The Special Administrators liaised with the FCA and FSCS regarding the information published. In addition, the Administrators have liaised with Clients and FSCS where potential hardship cases were brought to their attention. The Special Administrators liaised with the FSCS to ensure that an efficient payment process was put in place whilst the Special Administrators were unable to distribute funds.

**Client Portal**

- 4.35 Claims to holdings of Custody Assets and/or Client Money were submitted to the Client Portal in respect of 1,455 Client accounts. Clients were also requested to confirm via the Client Portal whether they elected to apply for FSCS compensation to cover the costs of the transfer. In the event that Clients did not engage with the Client Portal, such Clients were still eligible to transfer to Redmayne in accordance with the Rules, the Distribution Plan and the Client Money Order, and receive FSCS compensation, if eligible.
- 4.36 To date, the Special Administrators have published two Client Statements on the Portal. The statements remain available to view on the Client Portal, but Clients are no longer able to agree their holdings of Custody Assets and/or Client Money.

- 4.37 During the period of this report, Client Statements were issued on 8 May 2024 to Clients via the Client Portal. The statements identified the Custody Assets and/or Client Money intended to be transferred to Redmayne and provided indicative valuations of the Custody Assets as at the Effective Date (8 May 2024). In addition, the Client Statements detailed each Client's share of costs, calculated in accordance with the Distribution Plan. The statements also confirmed each Client's FSCS eligibility status.
- 4.38 In addition to the Client Statements being uploaded to the client portal, all Clients were issued Client Statement via post.

#### **Consolidated Tax Vouchers**

- 4.39 On 6 August 2024, the Special Administrators issued consolidated tax vouchers to clients transferred to Redmayne for the tax year 2023/2024 and for the period leading up to the transfer date of 17 June 2024, to clients who had transferred to Redmayne. However, it is important to note that the initial version of these consolidated tax vouchers contained an inaccuracy concerning dividends issued during that period. Upon discovering this error, clients were promptly notified and instructed to disregard the original vouchers. An updated version of the consolidated tax vouchers was subsequently issued to clients on 12 September 2024. The Special Administrators are in the process of issuing statements to the clients who have not transferred to Redmayne.

#### **Creditors' Committee**

- 4.40 Following an initial meeting on 16 January 2024, a committee meeting was held on 16 April 2024 for the purposes of voting on a number of resolutions proposed by the Administrators, including approving the Distribution Plan and the basis of the Administrators' remuneration. The outcome of the meeting was that the resolutions were duly approved without modification.
- 4.41 A third creditor meeting was held on 17 September 2024 to update the committee on the special administration following the transfer to Redmayne Bentley LLP. During the meeting, the administrators provided information on the completed milestones and outlined the remaining tasks that need to be addressed before concluding the Special Administration.
- 4.42 The Administrators will continue to liaise with the Committee on a regular basis. It is anticipated that the next meeting will be held in the second half of 2025.

#### **FSCS Eligibility Campaign for Clients**

- 4.43 The Administrators conducted a comprehensive assessment in collaboration with the FSCS to evaluate the eligibility of clients for compensation related to the costs of transferring their assets to a new broker. This process involved a thorough review of the criteria established by the FSCS to determine eligibility for compensation based on the type of account held.
- 4.44 To facilitate this, a significant project was initiated to gather relevant data from both the Blankstone digital system and physical records. This data was essential for presenting the necessary information to the FSCS to confirm each client's entitlement to compensation. In instances where the required information was not readily available within Blankstone's records, the Joint Administrators proactively reached out to clients to obtain the necessary data for submission to the FSCS.
- 4.45 Upon completing the exercise, it was determined that the majority of clients were eligible for compensation, whilst only a few clients were not deemed eligible. Clients were notified of their eligibility on 8 May 2024, when updated statements were issued. Clients not eligible also received notifications through their statements.

#### **Operational Cost Reduction**

##### **IT and data systems**

- 4.46 The Company's trading systems are hosted by external software providers. Following their appointment, the Administrators engaged with the software providers and have either maintained existing contracts or negotiated new contractual agreements to secure the continued provision of

existing systems, where required. After transferring to the new broker, the Joint Administrators have actively reached out to suppliers to cancel all non-essential services, as the company no longer holds any clients or assets. The requirement for these systems will be reviewed on a regular basis.

**Leasehold Premises**

- 4.47 The Administrators continue to occupy the Company's trading premises in the City of Liverpool. However, since the client of Blankstone has transitioned to a new broker, there is no longer a need to continue operations from these premises. It is expected that the Company will vacate the location on 12 November 2024. In preparation for this move, the Joint Administrators have engaged agents to clear the office, removing all furniture, IT equipment, and both client and company files. All IT infrastructure has also been relocated.

**Retention of Company Employees**

- 4.48 On appointment the Company retained 18 members of staff.
- 4.49 At the date of this report, the Company retains 3 employees. All other employees have either resigned or were made redundant. The resource needs continue to be monitored.

**Loan Funding**

- 4.50 As stated in the Special Administrators' first progress report, it was necessary for the Special Administrators to secure a loan facility in order to meet the initial expenses being incurred to support the return of Custody Assets and Client Money to Clients, which were incurred in advance of the Distribution Plan being approved and the Client Money Order being obtained. The loan has been repaid and the receipts and payments account included at Appendix C provides details of the level of funding that was drawn and the repayments made.

**Objective 2: Ensuring timely engagement with market infrastructure bodies and the Authorities****FCA**

- 4.51 The Special Administrators have continued to work closely with the FCA in relation to a variety of matters regarding Clients' positions, work carried out relating to the transfer to Redmayne Bentley LLP, Custody Assets and Client Money, reporting requirements and the strategy as regards achieving the Objectives.

**FSCS**

- 4.52 The Special Administrators have worked closely with FSCS to ensure Clients' interests are protected, and to assist FSCS where appropriate as regards any entitlements to compensation that eligible Clients may have. The Special Administrators have liaised with FSCS in respect of the following matters:
- Assisting with and providing client information in respect of assessing clients eligibility for the FSCS compensation scheme;
  - FSCS's requirements in connection with the transfer;
  - Entering into a Compensation Deed between the Special Administrators and the FSCS; and
  - Dealing with hardship cases.

**Euroclear / CREST**

- 4.53 CREST is the share settlement system used by the Company, which electronically holds each Client's portfolio. CREST is administered by Euroclear.
- 4.54 With the consent of the Directors of the Company, the Administrators contacted Euroclear in the period prior to their appointment to discuss the strategy for the Special Administration and the Company's intention to stop trading stocks in the period immediately prior to their appointment.

- 4.55 The Special Administrators maintained regular communication with Euroclear to facilitate the transfer of all assets to Redmayne.

**London Stock Exchange**

- 4.56 Following their appointment, the Special Administrators liaised with the LSE in respect of the Special Administration. The Special Administrators have since cancelled the Company's membership with effect from 15 March 2024.

**Objective 3: To rescue the Company as a going concern or to wind it up in the interests of Clients and Creditors**

- 4.57 As it has not been possible to rescue the Company as a going concern, the Special Administrators have focused on winding up the remainder of the Company's affairs in the best interests of Clients and Creditors.
- 4.58 In summary, and in part to assist in the orderly wind down of the Company, the Administrators have:
- a) monitored the requirement for retained staff and have made redundancies where necessary;
  - b) regularly assessed the requirement of various IT operations and have cancelled services, where necessary;
  - c) endeavoured to vacate the Company's leasehold premises as soon as reasonably practicable;
  - d) liaised with Creditors (i.e. non-Client creditors); and
  - e) relocated the IT infrastructure and arranged collection of the Company furniture and equipment in readiness to vacate the Company premises.

**5 HOUSE ASSETS**

- 5.1 This section provides Clients and Creditors with an update on House Asset realisations for the benefit of Creditors.

**Cash at Bank (House Accounts)**

- 5.2 At the date of the Administrators' appointment, the Company held or was beneficially entitled to the following credit balances in its house accounts held at Barclays Bank Plc, the amount recorded in the Receipts and Payments account at Appendix C.

Currency	Totals
	'000
GBP	753
USD	41
Euro	50

**Transfer to Redmayne-Bentley LLP**

- 5.3 As part of the transfer to Redmayne, it was agreed that the sale consideration would be paid in two tranches, with the amount dependent on the retention of Assets Under Management (AUM). The first tranche, amounting to £150,000.00, was received on 17 October 2024. The second tranche is expected to be received in June 2025. Further updates will be provided in the Special Administrator's fourth progress report.

**Office Furniture, Fittings, and IT Equipment**

- 5.4 The Company's management accounts to 30 September 2023 attribute a value of £2,001 to the Company's physical assets including furniture, fittings, and IT equipment.

5.5 As previously reported, the Company continued to occupy its trading premises during the period of the Special Administration to date. Agents were engaged to assess the office furniture, and it was concluded that the cost of removal would exceed any potential returns from its sale. Nevertheless, at the landlord's request, the agents have been instructed to remove all office furniture.

5.6 All non-essential IT equipment has been collected by the agents and has been scheduled for auction. We will provide further updates in our next progress report.

**Client Debtors**

5.7 On appointment the Company's records indicated there were client debtors of £5,425.06 and €3,572.80 (£3,091.19). It was anticipated that the client debtors balance is made up of discretionary management fees and advisory fees.

5.8 The Sale and Purchase Agreement entered into with Redmayne incorporates mechanics for Redmayne to collect these debts on behalf of the Company where possible in return for a collection fee.

5.9 During the period it has transpired that the cost involved in recovering any debts would outweigh any potential realisation.

**Other Debtors**

5.10 The Company's financial records on Special Administration refer to other debtors of £14,755. The Administrators understand this balance relates to a penalty VAT refund due to the Company of £700, introducer fees and an overpayment made to a client.

5.11 It is likely that any refund due to the Company from HMRC will be offset against the amounts owed to HMRC detailed at paragraph 6.10 and 6.17 of this report.

5.12 In addition, funds totalling £1,238.00 have been received being the balance of commission payments due to the Company. The Administrators will seek confirmation as to whether any further realisations are anticipated in this respect.

**VAT Refund**

5.13 The VAT return submitted for the shortened pre-appointment period from 1 October 2023 to 12 October 2023 indicates a refund of £15,828.75 is due to the Company. As mentioned above, it is likely that any VAT refund due to the Company will be offset against the amounts owed to HMRC. The Special Administrators continue to liaise with HMRC to seek confirmation of the offset. A further update will be provided in our next progress report.

**Prepayments**

5.14 The Company's management accounts record prepayments in the sum of £251,910. It is understood that the prepayments relate to advance payments to various systems and IT providers.

5.15 The estate has benefitted from these pre-paid services during the Special Administration period. No realisations are anticipated in respect of this asset category.

**Pension Asset**

5.16 The Company's management accounts to 30 September 2023 refer to a pension asset with a book value of £30,000.

5.17 The pension asset arises from the Company making prepayments to the Company's defined benefit pension scheme. As at 31 August 2023, the Company's Defined Benefit Pension Scheme had a deficit of £641,000 (approximately £900,000 when valued on an FRS 102 basis), which it was estimated would have cost in the region of £2,000,000 to £2,500,000 on an insurance buyout basis. Accordingly, we do not anticipate any realisations in this respect. During the period the Special Administrators have received a update from the Pension Protection Fund ("PPF") with a claim being submitted for the deficit amount to £200,000. This claim will rank as an unsecured claim in the Special Administration.

**Funds to be repaid to Third Party**

- 5.18 During the period of this report, funds totalling £704.52 were remitted to the Administration estate from Scottish Widows. The funds related to refund of premiums in respect of a member that no longer holds an active policy with Scottish Widows, the funds do not form part of the House Assets within the Special Administration and will be remitted to the member in due course.

**Assets not yet realised**

As referred to above, the assets still to be realised (to the extent possible) during the period of the Special Administration include the following:

- Collection of deferred sales consideration From Redmayne; and
- Sales proceeds from Office Furniture, Fittings, and IT Equipment.

**6 ESTIMATED OUTCOME FOR CLIENTS AND CREDITORS**

**Clients**

- 6.1 As previously stated, following the approval of the Distribution Plan, the Special Administrators have transferred the Custody Assets and/or Client Money held by the majority of Clients to Redmayne. Other than a very small number of exceptions, there has therefore been a full return to Clients in respect of Custody Assets and Client Money, by way of a transfer to Redmayne, as referred to in paragraph 1.14.
- 6.2 The Special Administrators have concluded the transfer of Clients who were not eligible to be transferred to Redmayne in the period subsequent to that to which this report relates.
- 6.3 Clients are now able to submit claims for (among other things) breach of contract or negligence via the FSCS online portal at [www.fscs.org.uk/your-claim/](http://www.fscs.org.uk/your-claim/). This is separate from any claim a Client may have in relation to a shortfall in the Client's Custody Assets and/or Client Money that were held by the Company but is subject to the same overall cap on FSCS compensation of £85,000 in total per claimant. Please visit the FSCS website for further information (<https://www.fscs.org.uk/making-a-claim/failed-firms/blankstone/>).

**Secured Creditors**

- 6.4 As at the date of appointment, there were no outstanding or unsatisfied charges registered against the Company. We are not aware of the Company having granted security to any other Creditors.

**Preferential Creditors**

- 6.5 The only categories of claims which have preferential status in this case are those of employees in respect of their arrears of wages and unpaid holiday pay. Such claims are typically met by the Redundancy Payments Service, a department within the Department for Business and Trade, who will then have a subrogated preferential claim in the Special Administration.
- 6.6 There are no outstanding arrears of pay or holiday pay, employees have been paid per their contractual entitlements during the course of the Special Administration.
- 6.7 The Administrators have instructed agents, Evolve, specialists in dealing with employee matters in an insolvency scenario. Evolve have also been instructed to liaise with the Company pension provider, Scottish Widows. Following the appointment of Special Administrators, it was identified that one month's arrears relating to September 2023 was outstanding; these arrears have been discharged and no further claim is anticipated in this respect. In addition, Evolve have been instructed to advise the Special Administrators on steps required in dealing with regulatory requirements in respect of the defined benefit pension scheme.
- 6.8 Based upon the above information it is not anticipated that there will be any preferential claims. Should any claims arise, creditors will be updated in future progress reports.

**Secondary Preferential Creditors**

- 6.9 With respect to insolvencies commencing on or after 1 December 2020, HMRC will rank ahead of floating charge holders and unsecured creditors in respect of certain unpaid taxes that the relevant company collects on behalf of HMRC.

These taxes are known as Priority Taxes and include:

- VAT;
- PAYE (including student loan repayments);
- Construction Industry Scheme deductions; and
- Employees' NI contributions.

- 6.10 The Company's records indicate there is a balance due to HMRC of £22,596.32 in respect of PAYE and Employees' NI contributions. It is our understanding that these relate to the September payroll. There is also a VAT liability of £84,693.80 due to HMRC in respect of the period to 30 September 2023. A VAT return for the period from 1 October 2023 to 12 October 2023 has been completed and shows a refund position of £15,828.75. It is therefore anticipated following the offset of the refund that HMRC's claim will be c.£68,865.05. During the period of this report, HMRC have submitted a final secondary preferential claim in the Administration in the sum of £18,419.82 and a sum of £316.92 as an unsecured claim. It should be noted that the claim is subject to change as VAT return submitted for the period 1 October 2023 to 12 October 2023 has not been accounted for in the final proof of debt.
- 6.11 Based on current indications, we anticipate that there will be sufficient realisations to facilitate a distribution to secondary preferential creditors.

**Prescribed Part**

- 6.12 As there are no outstanding Qualifying floating charges, there is no requirement to calculate a prescribed part in this instance.

**Unsecured Creditors**

- 6.13 Unsecured creditor claims are split into three main categories:
- a) Money Client and Asset Client shortfall claims;
  - b) Claims from clients who are not entitled to participate in the Client Money Pool, nor entitled to any Custody Assets; and
  - c) Claims from other creditors who are owed amounts by the Company (including the Redundancy Payments Service, employees with residual unsecured claims, HMRC for the unsecured element of their claim, other creditors and the PPF in respect of the DB Pension Scheme deficit).
- 6.14 To date, we have not received any claims in respect of (a) and (b) above, nor have we received any indication of such claims. Creditors will be updated in future reports should any such claims be received.
- 6.15 At the outset of the Special Administration, unsecured creditor claims were estimated to total £917,912. It is anticipated that the total balance of unsecured creditor claims will increase as a result of an anticipated claims from FSCS, in respect of any claims made by eligible Clients for compensation and/or claims for clients not entitled to participate in the Client Money Pool or entitled to any Custody Assets. Further claims may be received from the Redundancy Payments Service and employees with residual unsecured claims, in the event of redundancies.
- 6.16 The above creditor balance includes the DB Pension Scheme deficit in the sum of £641,000 based upon an accounting basis. The latest triennial valuation for the DB Pension Scheme estimated a deficit of c£2.5m on a buy-out basis. However, during the period DB Pension Scheme have submitted a claim for £200,000.
- 6.17 The above balance also includes a sum of £9,699.49 due to HMRC in respect of Employer's NI contributions which ranks as an unsecured claim.

- 6.18 Based upon current indications, it is anticipated that there will be sufficient funds to enable a distribution to unsecured Creditors, subject to the quantum of preferential and secondary preferential claims. The Special Administrators intend to provide a further update to creditors on this position at an appropriate point as the Special Administration progresses.

## **7 INVESTIGATIONS**

- 7.1 The Administrators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority. The contents of that report are confidential.
- 7.2 The Administrators also have a duty to investigate historic transactions and identify and pursue (where cost-effective) any claims against third parties which may result in additional recoveries for the benefit of Creditors. The Special Administrators' investigations are still ongoing in this regard.
- 7.3 Any Clients or Creditors who have any information they consider may assist the Special Administrators in carrying out their investigations are invited to provide details to the Administrators as soon as possible, using the contact details set out below paragraph 13. Any such information will be treated in confidence. Please note that this request for information forms part of the standard investigation procedure and should not be taken as implying that there may be any cause of action against any person concerned in the Company's affairs prior to its entry into Special Administration.

## **8 RECEIPTS AND PAYMENTS ACCOUNT**

- 8.1 Attached at Appendix C is the Special Administrators' receipts and payments account covering the period from 13 April 2024 to 12 October 2024.
- 8.2 The summary is largely self-explanatory; however, the Special Administrators would comment in respect of the most significant receipts and payments as follows:

### **Receipts**

- 8.3 As discussed at paragraph 5.54, a loan facility of £1.5 million was initially agreed with Filefigure 30 Limited, a related company of Hilco Capital, to support ongoing trading. It was necessary to agree an increase to the facility for a further £750k, as such £2.25 million was drawn down.
- 8.4 The loan facilities were only to be used to defray costs associated with achieving Objective 1 and, therefore, any costs directly attributable to the orderly winding up of the Company will be met from the House Assets. Cash at Bank, on appointment, totalled £753,276.00, €49,999.98 and \$41,032.90, all of which forms part of the House Assets. Other House Assets comprise of insurance fund, debtor receipts and a sundry refund all recorded at Appendix C.
- 8.5 Following the initial drawdown of the FSCS compensation on 27 June 2024 the loan from FileFigure 30 Limited was repaid in full including interest totalling £238,288.98.
- 8.6 The Administrators enclose a separate summary in respect of the Client Money balances held in the CMP accounts.

### **Payments**

- 8.7 In order to achieve Objective 1, it has been necessary to maintain critical operations at the Company's premises and to retain a number of Company staff to assist with the transfer of Custody Assets and Client Money. In the period covered by this report, £141,865.01 has been paid in rent and service charges. Other general property expenses in maintaining the trading premises totals £15,389.18. Wages, salaries and associated staff expenses totalling £507,733.47 have also been paid during the period covered by this report.
- 8.8 It has also been necessary to retain a number of IT trading systems hosted by external software providers to secure the continued provision of existing systems. A total of £460,887.61 has been paid in the period to which this report relates in respect of market infrastructure and IT costs. In addition, it

was also a requirement to ensure key subcontractor personnel were retained during the trading period in order to comply with regulatory requirements and assist with the migration of clients. The costs in this respect totalled £ 88,755.00. Sundry trading expense totalling £6,898.35 have been paid during the period along with bank charges totalling £441.55.

- 8.9 As previously mentioned, the Administrators have engaged a number of third party agents to assist in achieving the Objectives of the Special Administration.

## 9 COSTS OF THE SPECIAL ADMINISTRATION

### Costs of the Special Administration

- 9.1 The Distribution Plan sets out in some detail the arrangements for allocating costs to Clients and addressing any shortfalls in respect of any Clients which may arise as a result, including the arrangements for FSCS compensation to be payable in respect of such Clients. However, the Administrators are also required to consider and record the costs of the Special Administration, which are attributable from the House Estate as set out below.

- 9.2 The professional costs of the Special Administration to 12 October 2024 can be split into the following categories:

- the costs incurred by Leonard Curtis and Ashurst in connection with the Court application for the appointment of the Special Administrators;
- the pre-administration costs incurred by Leonard Curtis and various advisors (detailed at paragraph 9.8);
- the Special Administrators' post-appointment remuneration; and
- the Special Administrators' disbursements.

These are explained further below.

### Costs connected with the Court application

- 9.3 As previously advised, the costs incurred by Leonard Curtis in connection with the Court application for the appointment of the Administrators are as follows:

Charged by	Services provided	Total amount charged (£)	Total amount paid (£)	Total amount unpaid (£)
Leonard Curtis	Dealing with Court application	14,939.00 plus VAT	14,939.00 plus VAT	-
Ashurst	Assistance with Court application	85,236.00 plus VAT	85,236.00 plus VAT	-
Ashurst	Disbursements, including counsel fees	12,100.00 plus VAT	12,100.00 plus VAT	-
<b>Totals</b>		<b>112,275.00 plus VAT</b>	<b>112,275.00 plus VAT</b>	<b>-</b>

- 9.4 The Court ordered that the costs of, and those incidental to, the application be paid as an expense of the Special Administration. However, if those costs are to be drawn from Custody Assets and Client Money, that will require the approval of the Creditors' Committee and/or the Court.

- 9.5 The Administrators sought approval of the Court application costs from the Creditors' Committee at the meeting held on 16 April 2024, and the Committee approved the above costs.

- 9.6 The Court ordered that the costs of, and those incidental to, the application be paid as an expense of the Special Administration. The Creditors' Committee approved these costs for payment on 16 April 2024.

#### **Pre-administration costs**

- 9.7 Pre-administration costs are defined as fees charged and expenses incurred by the Administrators or another person qualified to act as an insolvency practitioner before the Company entered into Special Administration, but with a view to its doing so. "Unpaid pre-administration costs" are pre-administration costs which had not been paid at the point at which the Company entered Special Administration.
- 9.8 Pre-administration costs charged and expenses incurred by the Administrators and their legal advisors in the period prior to their appointment are summarised below:

<b>Charged by</b>	<b>Services provided</b>	<b>Total amount charged (£)</b>	<b>Total amount paid (£)</b>	<b>Total amount unpaid (£)</b>
Leonard Curtis	Pre-administration fees	269,924.00 plus VAT	265,726.90 plus VAT	4,197.10 plus VAT
Landwood Group	Property inspection and report	1,500.00 plus VAT	1,500.00 plus VAT	-
Hill Dickinson	Legal Advise	14,500.00 plus VAT	14,500.00 plus VAT	-
Silonco	Back-up's of the Company's systems and data	4,242.00 plus VAT	3,846.00 plus VAT	396.00 plus VAT
Pelstar	IT Specialists	5,000.00 plus VAT	5,000.00 plus VAT	-
	<b>Total</b>	<b>295,166.00 plus VAT</b>	<b>290,572.90 plus VAT</b>	<b>4,593.10 plus VAT</b>

- 9.9 The pre-administration costs for both Leonard Curtis and Ashurst have been calculated on a time costs basis. As noted in our previous report it should be noted that the Administrators' proposals incorrectly stated that the Leonard Curtis pre-administration fees were £307,470.70. Leonard Curtis' actual pre-appointment time costs totalled £367,875, of which £83,012 had been paid directly by the Company. The net balance outstanding in respect of pre-appointment time costs therefore totals £284,863 (comprising £14,939 incurred dealing with the Court application and £269,924 incurred in dealing with pre-appointment matters) covering the period from 1 August 2023 to 13 October 2023.
- 9.10 The Administrators consider that the pre-administration costs were incurred in pursuance of all three of the Objectives and therefore required the approval of the Clients' and Creditors' Committee. Approval was provided by the Clients' and Creditors' Committee at a meeting on 16 April 2024.
- 9.11 The costs that have been paid are detailed in the receipts and payments account attached at Appendix C. The outstanding costs will be paid shortly.

#### **Post-Appointment Costs**

##### **Steps taken to fix the basis for the Administrators' remuneration**

- 9.12 The Clients' and Creditors' Committee, at the meeting held on 16 April 2024, approved a resolution that the Administrators' remuneration be fixed on a time-cost basis, in accordance with (b) above.

- 9.13 The Administrators proposed that those costs be levied as a fixed percentage of the client money balance (in relation to Client Money) and as a fixed sum per Client subject to a cap where the value of the Client's Custody Assets is less than the fixed sum (in relation to Custody Assets).

**The Administrators' Time-Costs to Date**

- 9.14 During the period from 13 April 2024 to 12 October 2024, the Administrators have incurred time costs of £1,083,084.20 (encompassing general costs, costs of dealing with Client Money and costs of dealing with Custody Assets) which represents 2,192.4 hours at an average rate of £494.02 per hour.
- 9.15 Attached at Appendix D is a time analysis which provides details of the activity costs incurred by staff grade during the period from 13 October 2023 to 12 April 2024, together with a detailed description of the work carried out in respect of those time costs at Appendix E.
- 9.16 Total time costs incurred from 13 October 2023 to 12 October 2024 are £2,631,606.60, representing 5,344 hours at an average rate of £492.44 per hour, which are summarised at Appendix D.

**The Administrators' Remuneration to Date**

- 9.17 During the period of this report, remuneration drawn by the Administrators totals £800,000.00 plus VAT from the FSCS Drawdown, in accordance with the agreed fee proposal. No fees have yet been drawn from the House Estate realisations.

**Information on Charge-Out Rates etc.**

- 9.18 Clients and Creditors are referred to Appendix G for further details regarding Leonard Curtis' charge-out rates. As a result of the complexities associated with a Special Administration, the firm's complex rates have been applied in this case.
- 9.19 Appendix G also includes details of Leonard Curtis' policies regarding the recharge of disbursements, staff allocation, support staff and the use of subcontractors.

**Further Information on Costs**

- 9.20 Further guidance may be found in "A Creditors' Guide to Administrators' Fees", although it should be noted that the requirements for approval of the Administrators' remuneration differ from a normal administration. This guide may be downloaded from <http://www.leonardcurtis.co.uk/resources/creditorsguides>. If you would prefer this to be sent to you in hard copy please call us on 0161 831 9999.

**Disbursements**

- 9.21 The Administrators sought approval on the basis upon which they recharge internal disbursements that include an element of allocated costs. These are known as category 2 disbursements and the basis of the calculation of their recharge is detailed in Appendix F. Any specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as a "category 1 disbursement". Category 1 disbursements will generally include items such as case advertising and travel costs. Also included will be services specific to the case that cannot practically be provided internally such as printing, room hire and storage of company records.
- 9.22 At Appendix F is a schedule of category 1 and 2 disbursements incurred since appointment, including whether they have been incurred in respect of pursuing Objective 1 and/or Objectives 2 & 3, together with confirmation as to whether those amounts have been paid or remain unpaid.

**Creditors' and Clients' Rights**

- 9.23 If
- a) within 21 days of receipt of this report,
    - (i) a secured creditor, or
    - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or

- (iii) a Client with the concurrence of Clients claiming for at least 5% in value of the Client Assets (including the Client in question); or

- b) with the permission of the Court upon an application made within that period of 21 days, any unsecured creditor,

makes a request in writing to the Administrators for further information about their remuneration or expenses (other than pre-administration costs), the Administrators must, within 14 days of receipt of the request, comply with the request in accordance with the Rules.

- 9.24 In addition, (a) an unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the Court, (b) any secured creditor, (c) any Client with the concurrence of Clients representing at least 10% of the total claims in respect of Client Assets held by the Company or with the permission of the Court, or (d) the FCA may apply to Court if they believe the remuneration charged or expenses incurred by the Administrators to be excessive or the basis fixed for the Administrators' remuneration to be inappropriate. Any application should be made within eight weeks of receipt of this report.

## **10 PROFESSIONAL ADVISORS**

- 10.1 During the course of the Special Administration to 12 October 2024, the Administrators have engaged the professional advisors listed below:

<b>Name of advisor</b>	<b>Services provided</b>	<b>Basis of fees</b>
Ashurst LLP	General legal advice and preparation of all Court applications and supporting documents, as well as preparation of the Distribution Plan and advising on all regulatory matters	Time costs
Hill Dickinson Solicitors	Employment advice and preparation of asset sale agreement	Time costs
Crowe UK	Reconciliation and audit of Custody Assets and Client Money	Time costs
Signature Corporate Finance Limited	Marketing and assistance with negotiating a sale of the whole / part of the business and its assets.	Fixed fee
Cerberus Asset Management Limited	Valuation of the Company's physical assets.	Time costs
Silonco Limited	Securing the Company's electronic data and advice regarding IT security	Fixed fee
Pelstar Computing Ltd	Construction of Client Portal	Time costs
Landwood Group	Property inspection and report	Fixed fee
Evolve IS Limited	Employee claim assistance and pensions advice	Fixed fee per employee
Access Group Ltd	Payroll services	Fixed fee
Consultium Property Limited	Property audit and review of any refunds due to the Company in respect of historic payments of non-domestic rates	Percentage of realisations

Eddisons Insurance Services Ltd	Insurance	Fixed fee
Business Tax Centre Limited	Anti Money laundering	Fixed fee per Client
ALPH4 Limited	Business and domestic software development	Fixed fee

10.2 At Appendix F is a schedule of the expenses incurred by our instructed professional advisors since appointment together with confirmation as to whether those amounts have been paid or remain unpaid.

10.3 Details of Leonard Curtis' policy regarding the choice of advisors and the basis for their fees are given in Appendix G.

## **11 DURATION OF THE SPECIAL ADMINISTRATION**

11.1 The appointment of the Administrators does not automatically end after one year, as is the case in a normal administration. This is principally because the Regulations provide a process within the Special Administration for the Company's Creditors to prove and receive a distribution, rather than this needing to be dealt with in a subsequent liquidation.

11.2 When the Administrators consider that the Objectives of the Special Administration have been met, they are able to exit by either:

a) filing a notice of the Company's dissolution at Companies House; or

b) putting forward proposals for a company voluntary arrangement.

11.3 The Administrators consider that the most appropriate exit route will be to file a notice of the Company's dissolution once all relevant distributions have been made and all statutory obligations have been dealt with.

11.4 At this stage, it is not possible to provide a definitive timescale for the duration of the Special Administration.

## **12 FUTURE REPORTS**

12.1 The Administrators are required to provide a progress report to Clients and Creditors within one month of the end of each period of six months commencing on the date the Company entered Special Administration. The next reporting period shall fall due in April 2025.

## **13 DATA PROTECTION**

13.1 Finally, when Clients and Creditors submit details of their claims in the Special Administration, they may disclose personal data to the Administrators. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. We act as data controller in respect of personal data obtained in relation to the Company's Special Administration and are therefore responsible for complying with data protection law in respect of any personal data we process. Our privacy notice, which is attached to this report at Appendix H, explains how we processes the personal data of Clients and Creditors. Terms used in this paragraph bear the same meanings as are ascribed to them in data protection law.

13.2 Insolvency practitioners at Leonard Curtis are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

**The Administrators are agents of the Company and contract without personal liability.**

13.3 In respect of any queries regarding this report, please contact the team at:

- Email: [blankstone@leonardcurtis.co.uk](mailto:blankstone@leonardcurtis.co.uk)
- Telephone: 0161 820 4238 (open 9am - 5pm Monday to Friday);
- In writing: Blankstone Sington Limited (in Special Administration), Leonard Curtis, Riverside House, Irwell Street, Manchester M3 5EN

for and on behalf of

**BLANKSTONE SINGTON LIMITED (IN SPECIAL ADMINISTRATION)**



**ANDREW POXON**  
**JOINT SPECIAL ADMINISTRATOR**

Andrew Poxon, Alex Cadwallader and Hilary Pascoe are all licensed in the UK by the Insolvency Practitioners Association under office holders numbers 8620, 9501 and 27590 respectively. The affairs, business and property of the Company are being managed by the Joint Special Administrators, who act as agents of the Company without personal liability

Notwithstanding the appointment of Joint Special Administrators under The Investment Bank Special Administration Regulations 2011 and the Investment Bank (Amendment of Definition) and Special Administration (Amendment) Regulations 2017, Blankstone Sington Limited remains an FCA regulated entity with firm reference number 143694

## GLOSSARY OF ABBREVIATIONS USED IN THIS REPORT

## Client and Creditor definitions

**"Client"** includes Money Clients and Asset Clients

**"Money Client"** a client for whom the Company has undertaken to hold Client Money and who may be entitled to receive a distribution from the Client Money Pool

**"Asset Client"** a client for whom the Company has undertaken to receive or hold Custody Assets and who may be entitled to a distribution from those Custody Assets

**"Creditor"** includes: (i) a client who is not entitled to participate in the Client Money Pool nor entitled to Custody Assets held by the Company; (ii) a Client with a shortfall; (iii) any other creditor who is owed an amount from the Company, and may include secured, preferential or ordinary unsecured creditors

NB: All of the above are subject to adjudication by the Administrators

## Other abbreviations and definitions

**"Act"** the Insolvency Act 1986

**"Administrators"** the Joint Special Administrators of the Company, being Andrew Poxon, Alex Cadwallader and Hilary Pascoe

**"AMA"** Accelerated Merger and Acquisition

**"Appointment Date"** date of the Appointment of the Special Administrators being 13 October 2023

**"Ashurst"** Ashurst LLP, the Administrators' solicitors

**"Authorities"** the Bank of England, HM Treasury and the FCA

**"Bar Date"** the deadline for Asset Clients and Money Clients to submit their claims through the Client Portal or by a Client Claim Form (14 December 2023)

**"Barclays"** Barclays Bank PLC

**"CASS"** the Client Asset Sourcebook, the FCA's rules for holding Client Money and Custody Assets

<b>"Client Assets"</b>	Custody Assets and Client Money
<b>"Client Claim Form"</b>	the client claim form which was sent to relevant clients who do not have access to the Client Portal
<b>"CMP"</b>	Client Money Pool
<b>"Client Money Pool"</b>	the pool of Client Money which is held on trust by the Company in accordance with the Client Money Rules and which has been pooled in accordance with those rules for the purpose of distribution
<b>"Client Money Rules"</b>	CASS 7 and 7A, which make provision for the handling and distribution of money held by a person who is authorised for the purposes of FSMA
<b>"Client Money"</b>	Client cash balances held by the Company as at the Administrators' appointment on 13 October 2023 and which are subject to the Client Money Rules
<b>"Client Portal"</b>	the online portal being developed by the Administrators for the purposes of facilitating the return of Custody Assets and Client Money
<b>"Client Statement"</b>	the statement of Custody Assets and/or Client Money issued to Clients on 9 November 2023 which reflects client holdings as at 13 October 2023
<b>"Company"</b>	Blankstone Sington Limited
<b>"Creditors' Committee"</b>	the committee proposed to be established in order to take certain decisions on behalf of the Clients and Creditors as a whole
<b>"Custody Assets"</b>	the client securities held by the Company as at the Administrators' appointment on 13 October 2023
<b>"DB Pension Scheme"</b>	Defined Benefit Pension Scheme
<b>"Directors"</b>	the registered directors of the Company
<b>"Distribution Plan"</b>	a statutory distribution plan, pursuant to the Regulations and the Rules, designed to facilitate the return of Custody Assets to Asset Clients
<b>"Evolve"</b>	Evolve IS Limited
<b>"FCA"</b>	the Financial Conduct Authority

<b>"FSCS"</b>	the Financial Services Compensation Scheme, the UK's statutory compensation scheme for customers of authorised financial services firms who have failed
<b>"FSMA"</b>	the Financial Services and Markets Act 2000
<b>"HMRC"</b>	HM Revenue and Customs
<b>"House Assets"</b>	the Company's own assets (excluding Custody Assets and Client Money)
<b>"Initial Meeting"</b>	the initial meeting of Clients and Creditors to be held on 13 December 2023
<b>"ISA"</b>	individual savings account
<b>"LSE"</b>	London Stock Exchange
<b>"Leonard Curtis"</b>	Leonard Curtis Recovery Limited and/or Leonard Curtis Limited
<b>"PPE"</b>	primary pooling event
<b>"PPF"</b>	Pension Protection Fund
<b>"Preferred Broker"</b>	Redmayne-Bentley LLP
<b>"Proposals"</b>	the Administrators' proposals for achieving the statutory objectives of the Special Administration
<b>"Proxy Form"</b>	the form to appoint a proxy to attend the Initial Meeting by any Client or Creditor who either does not intend to attend the Initial Meeting or who represents a body corporate
<b>"Redmayne"</b>	Redmayne-Bentley LLP
<b>"Regulations"</b>	The Investment Bank Special Administration Regulations 2011 (as amended)
<b>"Rules"</b>	The Investment Bank Special Administration (England and Wales) Rules 2011 (as amended)
<b>'Signature'</b>	Signature Corporate Finance Limited
<b>"Special Administration"</b>	a process introduced in 2011 to deal with, among other things, insolvent investment firms holding Custody Assets and Client Money

**"UK Insolvency Regulation"**

Regulation (EU) 2015/848 as given effect in English law by the European Union (Withdrawal) Act 2018, as amended

**"VREQ"**

a voluntary requirement imposed by an FCA-regulated firm upon its own permissions or regulated activities

**SUMMARY OF JOINT ADMINISTRATORS' APPROVED PROPOSALS**

- a) that the Special Administration Objectives be pursued, being: (i) Objective 1, to ensure the return of Client Assets (including both Custody Assets and Client Money) as soon as is reasonably practicable; (ii) Objective 2, to ensure timely engagement with market infrastructure bodies and the Authorities; and (iii) Objective 3, to either rescue the Company as a going concern or wind it up in the best interests of the creditors (note that, at this stage, the Administrators do not consider that the first limb of Objective 3, namely the rescue of the Company as a going concern, is capable of being achieved);
- b) that, in the absence of a direction from the FCA under Regulation 16, the Special Administration Objectives continue to be addressed in parallel;
- c) that the Administrators shall do all such things and generally exercise all powers as they, at their discretion, consider desirable in order to achieve the Objectives of the Special Administration, or to protect and preserve the assets of the Company, or to maximise realisations for any other purpose incidental to these Proposals;
- d) that the Administrators continue to enable the Company to employ staff to assist in the various work identified as necessary in the pursuit of the Objectives of the Special Administration;
- e) that the Administrators move funds realised or held on behalf of Clients into bank accounts controlled by the Administrators and, to avoid currency fluctuations, convert foreign currency accounts to sterling accounts as appropriate;
- f) that the Administrators move and hold funds realised on behalf of the Company into bank accounts controlled by the Administrators;
- g) that Client Money and Custody Assets be returned to clients prior to any distribution to any other class of Creditors being made;
- h) that the Administrators realise the Company's remaining assets in pursuit of the Objectives of the Special Administration;
- i) that the Administrators make distributions to the Company's preferential and unsecured creditors as appropriate;
- j) that the Administrators continue to investigate, and if appropriate, pursue any claims that an officeholder and/or the Company may have under the Companies Act 2006, the Act or other legislation against any parties concerned with the affairs of the Company;
- k) that, once the Objectives of the Special Administration have been fulfilled, the Administrators seek to conclude the case by either: (i) filing appropriate notices that the Objectives have been achieved, that the Company no longer holds Client Assets (including both Custody Assets and Client Money) and the Company will be dissolved thereafter without further recourse to the Creditors or Clients of the Company, or (ii) put forward further proposals for a Company Voluntary Arrangement.

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM  
13 APRIL 2024 TO 12 OCTOBER 2024**

Statement of Affairs	Previous Period House Account GBP £	Previous Period House Account USD \$	Previous Period House Account EURO €	Previous Period House Account GBP £ (Barclays)	House Account GBP £	House Account USD \$	House Account EURO €	House Account GBP £ (Barclays)	FSCS Trust Account £	Cumulative House Account GBP £	Cumulative House Account USD	Cumulative House Account EURO €	Cumulative FSCS Trust Account £
<b>RECEIPTS</b>													
Repayable Loan Funding	1,750,000.00	-	-	-	500,000.00	-	-	-	-	2,250,000.00	-	-	-
Cash at Bank (£)	753,276.00	750,000.00	-	3,276.00	-	-	-	-	-	753,276.00	-	-	-
Cash at Bank (€)*	43,261.00	-	49,999.98	-	-	-	-	-	-	-	-	49,999.98	-
Cash at Bank (\$)*	33,809.00	-	41,032.90	-	-	-	-	-	-	-	41,032.90	-	-
Client Debtors	8,516.00	-	-	-	-	-	-	-	-	0.00	-	-	-
Other Debtors	14,055.00	1,238.00	-	-	-	-	-	-	-	1,238.00	-	-	-
VAT Refund	15,829.00	-	-	-	-	-	-	-	-	0.00	-	-	-
Prepayments	Uncertain	-	-	-	-	-	-	-	-	0.00	-	-	-
Sundry Refunds	-	388.58	-	-	-	-	-	-	-	388.58	-	-	-
Insurance Refund	-	1,787.92	-	-	-	-	-	-	-	1,787.92	-	-	-
Third Party Funds to be Repaid	-	704.52	-	-	-	-	-	-	-	704.52	-	-	-
Drawdown	-	-	-	-	-	-	-	-	7,690,000.00	-	-	-	7,690,000.00
Repayment of Hardship funds to the FSCS	-	-	-	-	-	-	-	-	51,237.54	-	-	-	51,237.54
Transfer from FSCS Trust account	-	-	-	-	7,198,264.10	-	-	-	-	7,198,264.10	-	-	-
Transfers from Redmayne Bentley	-	-	-	-	181,268.27	-	-	-	-	181,268.27	-	-	-
Bank Interest	-	8,954.98	-	-	8,046.61	-	-	-	-	17,001.59	-	-	-
<b>868,746</b>	<b>2,513,074.00</b>	<b>41,032.90</b>	<b>49,999.98</b>	<b>3,276.00</b>	<b>7,887,578.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,741,237.54</b>	<b>10,403,928.98</b>	<b>41,032.90</b>	<b>49,999.98</b>	<b>7,741,237.54</b>
<b>PAYMENTS</b>													
Pre-Appointment Administrators	-	-	-	-	(280,665.90)	-	-	-	-	(280,665.90)	-	-	-
Pre-appointment Legal fees	-	-	-	-	(29,500.00)	-	-	-	-	(29,500.00)	-	-	-
Pre-appointment Agents' fees	-	-	-	-	(10,346.00)	-	-	-	-	(10,346.00)	-	-	-
Administrators' Remuneration	-	-	-	-	(800,000.00)	-	-	-	-	(800,000.00)	-	-	-

## BLANKSTONE SINGTON LIMITED – IN SPECIAL ADMINISTRATION

Repayment of Loan	-	-	-	-	(2,488,288.98)	-	-	-	-	(2,488,288.98)	-	-	-
Transfer to nominees account SAR costs	-	-	-	-	-	-	-	-	(7,198,264.10)	-	-	-	(7,198,264.10)
Solicitors Fees and Expenses	(2,675.00)	-	-	-	(1,684,050.70)	-	-	-	-	(1,684,050.70)	-	-	-
Client Money transfer	-	-	-	-	(165,540.29)	-	-	-	-	(165,540.29)	-	-	-
Agents Fees and Expenses	(33,630.87)	-	-	-	(232,300.00)	-	-	-	-	(265,930.87)	-	-	-
Printing and Postage	(19,328.56)	-	-	-	(100,502.21)	-	-	-	-	(119,830.77)	-	-	-
Mail Redirect	-	-	-	-	(775.00)	-	-	-	-	(775.00)	-	-	-
Information Commissioner's Office	-	-	-	-	(40.00)	-	-	-	-	(40.00)	-	-	-
Equipment for Creditors Meeting	(3,000.00)	-	-	-	-	-	-	-	-	(3,000.00)	-	-	-
Venue Hire	(4,991.67)	-	-	-	-	-	-	-	-	(4,991.67)	-	-	-
Client Call Centre	(6,407.40)	-	-	-	(9,000.00)	-	-	-	-	(15,407.40)	-	-	-
Sundry Expenses	(678.50)	-	-	-	(6,898.35)	-	-	-	-	(7,576.85)	-	-	-
Disbursements - Category 1	(6,785.94)	-	-	-	(22,208.30)	-	-	-	-	(28,994.24)	-	-	-
Disbursements - Category 2	-	-	-	-	(1,998.31)	-	-	-	-	(1,998.31)	-	-	-
IT System & Market Infrastructure Costs	(445,689.02)	-	-	-	(460,887.61)	-	-	-	-	(906,576.63)	-	-	-
Utilities and Cleaning	(8,770.58)	-	-	-	(15,389.18)	-	-	-	-	(24,159.76)	-	-	-
Rent and Service Charges	(153,076.35)	-	-	-	(141,865.01)	-	-	-	-	(294,941.36)	-	-	-
Salaries and Pensions	(597,917.99)	-	-	-	(490,046.55)	-	-	-	-	(1,087,964.54)	-	-	-
Staff Expenses	(3,204.03)	-	-	-	(17,686.92)	-	-	-	-	(20,890.95)	-	-	-
Subcontractor Costs	(146,115.00)	-	-	-	(88,755.00)	-	-	-	-	(234,870.00)	-	-	-
Bank Charges	(1,034.90)	-	-	-	(441.55)	-	-	-	-	(1,476.45)	-	-	-
Bank Charges USD	-	-	-	-	-	(62.04)	-	-	-	-	(62.04)	-	-
Bank Charges EURO	-	-	-	-	-	-	(3.91)	-	-	-	-	(3.91)	-
Irrecoverable VAT	(157,115.69)	-	-	-	(758,404.71)	-	-	-	-	(915,520.40)	-	-	-
	<b>(1,590,421.50)</b>	-	-	-	<b>(7,802,915.57)</b>	<b>(62.04)</b>	<b>(3.91)</b>	-	<b>(7,198,264.10)</b>	<b>(9,393,337.07)</b>	<b>(62.04)</b>	<b>(3.91)</b>	<b>(7,198,264.10)</b>
<b>BALANCE IN HAND</b>	<b>922,652.50</b>	<b>27,189.20</b>	<b>36,979.50</b>	<b>3,276.00</b>	<b>84,663.41</b>	<b>(62.04)</b>	<b>(3.91)</b>	-	<b>542,973.44</b>	<b>1,010,591.91</b>	<b>40,970.86</b>	<b>49,996.07</b>	<b>542,973.44</b>

**CLIENT MONEY SUMMARY RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM  
13 APRIL 2024 TO 12 OCTOBER 2024**

Statement of Affairs	Previous Period Client Account USD \$	Previous Period Client Account EURO €	Previous Period Client Account GBP £	Client Account USD \$	Client Account EURO €	Client Account GBP £	Total Client Account USD \$	Total Client Account EURO €	Total Client Account GBP £
<b>RECEIPTS</b>									
CMP Client Account - GBP	-	-	11,587,338.14	-	-	-	-	-	11,587,338.14
CMP Client Account - Euro	-	1,301,824.00	-	-	-	-	-	1,301,824.20	-
CMP Client Account - USD	415,207.40	-	-	-	-	-	415,207.40	-	-
Net Bank Interest & Charges	-	-	-	-	-	97,286.50	-	-	97,286.50
	<u>415,207.40</u>	<u>1,301,824.20</u>	<u>11,587,338.14</u>	<u>-</u>	<u>-</u>	<u>97,286.50</u>	<u>415,207.40</u>	<u>1,301,824.20</u>	<u>11,684,624.64</u>
<b>PAYMENTS</b>									
Transfer to Redmayne USD	-	-	-	(415,089.40)	-	-	(415,207.40)	-	-
Transfer to Redmayne EURO	-	-	-	-	(1,301,750.22)	-	-	(1,301,824.20)	-
Transfer to Redmayne GBP	-	-	-	-	-	(11,684,624.64)	-	-	(11,684,624.64)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(415,089.40)</u>	<u>(1,301,750.22)</u>	<u>(11,684,624.64)</u>	<u>(415,207.40)</u>	<u>(1,301,824.20)</u>	<u>(11,684,624.64)</u>
	<u>415,207.40</u>	<u>1,301,824.20</u>	<u>11,587,338.14</u>	<u>(415,089.40)</u>	<u>(1,301,750.22)</u>	<u>(11,684,624.64)</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Notes**

- 1)The repayable loan funding was used to defray the associated costs of pursuing Objective 1;
- 2)The Company's own House Assets was used to defray the associated costs of pursuing Objective 2 and 3 (insofar as realisations permit);
- 3)Client Money within the CMP are held separately to the House Account and Objective 1 Account in designated Client Accounts and held on trust for Clients;
- 4) For the purpose of this report it is assumed no VAT recoveries will be made although discussions are ongoing with HMRC. We will update Clients and Creditors in due course.

**SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD  
FROM 13 APRIL 2024 TO 12 OCTOBER 2024**

	Director		Senior Manager		Manager 2		Administrator 1		Administrator 3		Administrator 4		Total		Average
	Units	Cost	Units	Cost	Units	Cost	Units	Cost	Units	Cost	Units	Cost	Units	Cost	Hourly Rate
		£		£		£		£		£		£		£	£
Statutory and Review	139	9,563.20	1	58.10	-	-	-	-	6	183.60		-	146	9,804.90	671.57
Receipts and Payments	76	5,228.80	19	1,103.90	1	45.60		-	65	1,989.00	96	2,102.40	257	10,469.70	407.38
Insurance	-	-	-	-	7	319.20		-	13	397.80	5	109.50	25	826.50	330.60
Assets	1,894	130,307.20	2	116.20	-	-	16	590.40	1,026	31,395.60	1,289	28,229.10	4,227	190,638.50	451.00
Liabilities	553	38,046.40		-	470	21,432.00	13	479.70	901	27,570.60	627	13,731.30	2,564	101,260.00	394.93
Landlords	1	68.80		-	-	-	-	-	15	459.00		-	16	527.80	329.88
Trading	1,654	113,795.20	4,483	260,462.30	-	-	-	-	2,051	62,760.60	55	1,204.50	8,243	438,222.60	531.63
General Administration	233	16,030.40	37	2,149.70	-	-	-	-	625	19,125.00	66	1,445.40	961	38,750.50	403.23
Planning and Strategy	863	59,374.40	13	755.30	37	1,687.20	6	221.40	317	9,700.20	186	4,073.40	1,422	75,811.90	533.14
Post Appt Creditor Decisions	38	2,614.40	-	-	-	-	5	184.50	-	-	-	-	43	2,798.90	650.91
Creds Committee Meetings	200	13,760.00	-	-	-	-	-	-	-	-	21	459.90	221	14,219.90	643.43
Review	17	1,169.60	-	-	-	-	-	-	-	-			17	1,169.60	688.00
Case Specific	-	-	-	-	1	45.60		-	-	-	-	-	1	45.60	456.00
SAR - Client Monies	321	22,084.80	3	174.30	-	-	-	-	104	3,182.40		-	428	25,441.50	594.43
SAR - Client Assets	1,555	106,984.00		-	4	182.40	25	922.50	568	17,380.80	22	481.80	2,174	125,951.50	579.35
SOLS - Client Monies	41	2,820.80		-	-	-	-	-	4	122.40		-	45	2,943.20	654.04
SOLS - Case investigations	25	1,720.00		-	-	-	-	-	-	-	-	-	25	1,720.00	688.00
SAR - FCA / FSCS	313	21,534.40		-	-	-	-	-	404	12,362.40	392	8,584.80	1,109	42,481.60	383.06
Total	7,923	545,102.40	4,558	264,819.80	520	23,712.00	65	2,398.50	6,099	186,629.40	2,759	60,422.10	21,924	1,083,084.20	
Average Hourly Rate (£)		688.00		581.00		456.00		369.00		306.00		219.00		494.02	
All Units are 6 minutes															

**SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD  
FROM 13 OCTOBER 2024 TO 12 OCTOBER 2024**

	Director		Senior Manager		Manager 2		Administrator 1		Administrator 2		Administrator 3		Administrator 4		Total	Cost £	Average Hourly Rate £
	Units	Cost	Units	Cost	Units	Cost	Units	Cost	Units	Cost	Units	Cost	Units	Cost	Units		
		£		£		£		£		£		£		£			
Statutory and Review	172	11,833.60	56	3,253.60	6	273.60	29	1,070.10		-	6	183.60	33	722.70	302	17,337.20	574.08
Receipts and Payments	120	8,256.00	78	4,531.80	1	45.60	39	1,439.10		-	185	5,661.00	270	5,913.00	693	25,846.50	372.97
Insurance	-	-	27	1,568.70	7	319.20	36	1,328.40	5	165.50	91	2,784.60	11	240.90	177	6,407.30	361.99
Assets	3,822	262,953.60	571	33,175.10	-	-	105	3,874.50		-	1,144	35,006.40	1,372	30,046.80	7,014	365,056.40	520.47
Liabilities	1,192	82,009.60	648	37,648.80	647	29,503.20	3,520	129,888.00	9	297.90	1,905	58,293.00	2,184	47,829.60	10,105	385,470.10	381.46
Landlords	6	412.80	6	348.60	-	-	4	147.60		-	19	581.40	5	109.50	40	1,599.90	399.98
Trading	3,135	215,688.00	9,221	535,740.10	-	-	67	2,472.30		-	3,422	104,713.20	147	3,219.30	15,992	861,832.90	538.92
General Administration	645	44,376.00	109	6,332.90	1	45.60	119	4,391.10		-	745	22,797.00	232	5,080.80	1,851	83,023.40	448.53
Appointment	82	5,641.60	32	1,859.20	-	-	100	3,690.00		-	104	3,182.40	14	306.60	332	14,679.80	442.16
Planning and Strategy	2,301	158,308.80	375	21,787.50	56	2,553.60	352	12,988.80	7	231.70	687	21,022.20	571	12,504.90	4,349	229,397.50	527.47
Post Appt Creditor Decisions	783	53,870.40	238	13,827.80	-	-	1,395	51,475.50	70	2,317.00	34	1,040.40	353	7,730.70	2,873	130,261.80	453.40
Creds Committee Meetings	436	29,996.80		-	-	-	25	922.50	16	529.60	80	2,448.00	154	3,372.60	711	37,269.50	524.18
Investigations	65	4,472.00	25	1,452.50	-	-	8	295.20		-	-	-	110	2,409.00	208	8,628.70	414.84
Case Specific	-	-	-	-	2	91.20	2	73.80		-	-	-	-	-	4	165.00	412.50
Accelerated Merger & Acquis'n	531	36,532.80	103	5,984.30	-	-	17	627.30		-	-	-	-	-	651	43,144.40	662.74
Pension Review	2	137.60		-	-	-	-	-	-	-	-	-	-	-	2	137.60	688.00
SAR - Client Monies	450	30,960.00	39	2,265.90	1	45.60	7	258.30		-	118	3,610.80	15	328.50	630	37,469.10	594.75
SAR - Client Assets	2,188	150,534.40	150	8,715.00	13	592.80	30	1,107.00		-	624	19,094.40	35	766.50	3,040	180,810.10	594.77
SOLS - Client Monies	58	3,990.40	3	174.30	-	-	-	-	-	-	5	153.00	1	21.90	67	4,339.60	647.70
SOLS - Case investigations	25	1,720.00		-	-	-	-	-	-	-	-	-	-	-	25	1,720.00	688.00
LEGAL SERV - Preparation	-	-	-	-	-	-	-	-	-	-	-	-	2	43.80	2	43.80	219.00
SAR - FCA / FSCS	1,043	71,758.40	755	43,865.50	-	-	201	7,416.90		-	708	21,664.80	1,270	27,813.00	3,977	172,518.60	433.79
SAR - Agreeing Claims / Portal	173	11,902.40	211	12,259.10	-	-	-	-	-	-	-	-	8	175.20	392	24,336.70	620.83
Strategy & purpose evaluation	-	-	-	-	-	-	3	110.70		-	-	-	-	-	3	110.70	369.00
Total	17,229	1,185,355.20	12,647	734,790.70	734	33,470.40	6,059	223,577.10	107	3,541.70	9,877	302,236.20	6,787	148,635.30	53,440	2,631,606.60	
Average Hourly Rate (£)		688.00		581.00		456.00		369.00		331.00		306.00		219.00		492.44	
All Units are 6 minutes																	

## DESCRIPTION OF THE JOINT ADMINISTRATORS TIME SPENT BY CATEGORY DURING THE PERIOD 13 APRIL 2024 TO 12 OCTOBER 2024

<b>Custody Assets</b>	<ul style="list-style-type: none"> <li>Regular correspondence (email and telephone calls) by all members of the case administration team with key market infrastructure regarding the progression of the Special Administration, the transfer of Custody Assets and Client Money, and the provision of information in compliance with regulatory requests;</li> <li>Planning and strategy with regard to the movement of Custody Assets from the securities depository accounts of the Company to the nominated broker.</li> <li>Preparation of client statements as at 8 May 2024;</li> <li>Preparation of the consolidated Tax Statements;</li> <li>Instruction of third-party auditors, Crowe UK, to prepare an independent reconciliation of Custody Assets and Client Money;</li> <li>Liaising with EUI to obtain information from CREST regarding open positions;</li> <li>Re-enabling the CREST Graphical User Interface (GUI) on a read only basis;</li> <li>Discussing the operational aspects of CREST with EUI and the re-enablement of CREST;</li> <li>Review of position in respect of compensation claims to FSCS and provision of data as requested;</li> <li>Meeting with and liaising with the FSCS as regards strategy and timing of any compensation to be paid to Clients;</li> <li>Liaising with clients and FSCS in respect of Hardship claims;</li> <li>Review of anticipated costs position in respect of the repatriation of Client Assets and Money;</li> <li>Liaising with registrars to obtain Client dividends and allocation of funds received post pool;</li> <li>Dealing with client queries via dedicated mailbox, telephone and correspondence;</li> <li>Liaising with relevant IT and data providers to ensure continuity of services;</li> <li>Transferring dividend receipts from the Company's bank accounts held with Barclays to the custody of the Administrators bank accounts;</li> <li>Responding to market infrastructure requests for information regarding the Special Administration;</li> <li>A significant amount of time has been spent at managerial level and above in liaising with the Company's bankers, Barclays, and EUI as regards the enablement of the CREST securities depository to facilitate the transfer of securities to the nominated broker. This included seeking advice from Ashurst on documentation required by Barclays to enable the bank accounts linked with the CREST system to be reactivated. Further time was spent in corresponding with the operations departments of both EUI and Barclays to coordinate the transfer within specific timeframes and settlement windows so as to mitigate any associated risks of transferring securities;</li> <li>Regular update meetings with Redmayne, Signature and Ashurst to discuss on progress in respect of matter associated with the transfer;</li> <li>Liaising with the FCA as regards CASS, dividends received post appointment;</li> <li>Liaising with third party brokers as regards the Company's debt and the treatment of Custody Assets and Client Monies held by them;</li> <li>Monitoring and control of Company staff.</li> </ul>
<b>Client Money</b>	<ul style="list-style-type: none"> <li>Ongoing reconciliation of client accounts to ensure they are current and accurately reflect incoming cash throughout the period.;</li> <li>Consideration of foreign exchange conversion;</li> <li>Liaising and corresponding with Company's bankers;</li> <li>Review of ISA accounts and tax considerations;</li> <li>Liaising with FCA as regards CASS rules, dividends received post appointment, formal application as regards CASS waivers;</li> <li>Review of Company's cash accounting systems;</li> <li>Daily dividend reconciliations;</li> <li>Monitoring and control of Company staff;</li> <li>Preparation of client statements as at 8 May 2024;</li> <li>Dealing with client queries via dedicated mailbox, telephone and correspondence.</li> </ul>
<b>Statutory and compliance</b>	<ul style="list-style-type: none"> <li>Ensuring compliance with appropriate risk management procedures in respect of receipts and payments;</li> <li>Review of updates and guidance received in respect of the management of client bank accounts;</li> <li>Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9 (SIP9);</li> <li>Ensuring compliance with all statutory obligations within the relevant timescales.</li> </ul>
<b>Strategy documents, checklists and reviews</b>	<ul style="list-style-type: none"> <li>Regular case management meetings to review progress of various workstream;</li> <li>Reviewing and authorising junior staff correspondence and other work;</li> <li>Dealing with queries arising during the appointment;</li> <li>Reviewing matters affecting the outcome of the Special Administration;</li> <li>Allocating and managing staff / case resourcing and budgeting exercises and reviews;</li> <li>Regular Meetings with employees retained to review and update strategy and matters progressed;</li> <li>Assessment of trading premises to ensure compliance with fire safety;</li> <li>Locating relevant Company books and records and dealing with their ongoing storage;</li> </ul>

**BLANKSTONE SINGTON LIMITED – IN SPECIAL ADMINISTRATION**

	<ul style="list-style-type: none"> <li>• Arranging the collection of books and records;</li> <li>• Updating checklists and diary management system; and</li> <li>• Complying with internal filing and information recording practices, including documenting strategy decisions.</li> </ul>
<b>Authorities and regulatory bodies</b>	<ul style="list-style-type: none"> <li>• A considerable amount of time has been dedicated to coordinating with the FSCS through Teams meetings and emails, supplying evidence for each client to verify their eligibility for FSCS compensation. The joint administrators, along with the company's retained staff, have reviewed various documents and submitted all relevant materials to the FSCS to confirm client eligibility;</li> <li>• Preparation and review of detailed progress updates to the FCA and FSCS on a number of key issues within the Special Administration;</li> <li>• Liaising with the FSCS regarding funding and hardship payments; and</li> </ul>
<b>Cashiering</b>	<ul style="list-style-type: none"> <li>• Regular review of requirements to maintain ongoing access to banking facilities;</li> <li>• Preparing payroll payments for retained staff, dealing with salary related queries and confirming payments with the employees' banks;</li> <li>• Processing of receipts;</li> <li>• Reconciling post-appointment bank accounts to internal systems;</li> <li>• Ensuring compliance with appropriate risk management procedures in respect of receipts and payments;</li> <li>• Allocation of payments to ensure that transactions recorded correctly to ensure the smooth running of the case;</li> <li>• Review of bank statements and reconciliation of accounts on a regular basis; and</li> <li>• Managing estate expenses.</li> </ul>
<b>Tax</b>	<ul style="list-style-type: none"> <li>• Time has been devoted to liaising with HMRC to clarify the company's VAT status following the appointment of the Special Administrators. This is particularly important as the VAT is assessed using a partial exemption due to the nature of the business;</li> <li>• Overseeing the preparation and submission of annual ISA returns to HMRC;</li> <li>• Planning and making arrangements with regards to the issuing of consolidated tax vouchers to Clients; and</li> <li>• Instructing a third-party accountant to prepare the company's post-appointment VAT returns and to submit a proposal for partial exemption on VAT to HMRC.</li> <li>• Dealing with ISA Returns and ceasing to be an ISA Manager post transfer.</li> </ul>
<b>General</b>	<ul style="list-style-type: none"> <li>• Dealing with general queries via dedicated mailbox, telephone and correspondence; and</li> <li>• Maintaining Joint Administrators records.</li> </ul>
<b>Trading</b>	<ul style="list-style-type: none"> <li>• Maintaining a cash flow statements to monitor the cash position;</li> <li>• Attending to supplier queries and correspondence;</li> <li>• Raising, approving and monitoring purchase orders and setting up control systems for trading; and</li> <li>• Negotiating and making direct contact with various suppliers as necessary to provide additional information and undertakings, including agreeing terms and conditions, in order to ensure continued support.</li> </ul>
<b>Asset realisations</b>	<ul style="list-style-type: none"> <li>• Attend regular meetings with Redmayne regarding sale and purchase agreement, operational matters regarding the transfer of Custody Assets and Client Money, communications with Clients regarding distribution plan and process of transfer; and</li> <li>• Regular meetings with the instructed legal team to progress sale and purchase agreement matters and distribution plan process.</li> </ul>
<b>Property matters</b>	<ul style="list-style-type: none"> <li>• Reviewing the landlords position and instructing agents to assist with any claim;</li> <li>• Instructing agents to remove office furniture and IT equipment from the premises;</li> <li>• Negotiating the terms of surrender for car parking space at the Premises;</li> <li>• Communicating with landlords regarding rent, property occupation and other issues;</li> <li>• Dealing with payment of rent during the trading period;</li> <li>• Periodically meeting with the landlords agents and facilitating landlord review and attendance at the Premises;</li> <li>• Liaising with agents as regards planned maintenance and exit of the Premises;</li> </ul>
<b>Transfer of Custody Assets and Client Money</b>	<ul style="list-style-type: none"> <li>• Planning the strategy for the transfer of Custody Assets and Client Money to the nominated regulated broker, including instruction and liaison with professional advisors;</li> <li>• Working with Counsel and Ashurst on the drafting of the Distribution Plan, Explanatory Statement and various ancillary documents to facilitate the return of Custody Assets;</li> <li>• Assisting with the drafting of the Client Money Order;</li> <li>• Presenting the Distribution Plan to the Creditors' Committee at a meeting, considering the views of the Committee and discussing, answering and implementing queries raised by members of the Committee in regard to the Distribution Plan;</li> <li>• Obtaining the Creditors' Committee approval to the Distribution Plan;</li> <li>• Attending the Court hearing in respect of the Distribution Plan and liaising with Counsel and Ashurst throughout the hearing to provide information required by the Court;</li> <li>• Preparing the announcement of the identity of the nominated broker and coordinating the publication with the nominated broker and FSCS;</li> <li>• Undertaking the complex transfer of the vast majority of Custody Assets and Client Money to the Redmayne, working with key market infrastructure as well as the nominated broker. This included working out of hours within defined settlement windows with retained Company staff, reconciling the position of transferred securities and those which had not with the nominated broker and its clearing bank. Regular meetings and video conferencing calls to discuss specific issues associated with the transfer of a number of individual and complex securities;</li> <li>• Continue to transfer dividend receipts and corporate actions post-transfer to the nominated broker;</li> <li>• Significant support has been provided to the Redmayne following the court's approval of the distribution plan. The administration has assisted by conducting Anti-Money Laundering (AML) checks on all clients to ensure compliance with the new broker's terms and conditions.</li> <li>• Corresponding with a small number of Clients who were not eligible to be transferred to Redmayne and dealing with the distribution of their Custody assets and/or client money; and</li> </ul>

	<ul style="list-style-type: none"><li>• Issuing press releases.</li></ul>
Open cover insurance / insurance matters	<ul style="list-style-type: none"><li>• Liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover is in place; and</li><li>• Liaising with staff assurance providers to provide periodic update follow redundancy;</li></ul>
Employees	<ul style="list-style-type: none"><li>• Dealing with queries from employees regarding various matters relating to the Special Administration and their employment;</li><li>• Dealing with statutory employment related matters, including statutory notices to employees and making statutory submissions to the relevant Government departments;</li><li>• Holding employee briefing meetings to update employees of progress in the Special Administration and strategy;</li><li>• Administering the Company's payroll, including associated taxation and other deductions and preparing PAYE and NIC returns;</li><li>• Dealing with issues arising from employee redundancies, including statutory notifications and liaising with employment agents and Redundancy Payments Office;</li><li>• Seeking legal advice in respect of employee matters.</li></ul>
Pensions	<ul style="list-style-type: none"><li>• Overseeing the payment of employee pension contributions;</li><li>• Instruction to Evolve to review pension matters and compliance;</li></ul>
Clients, Creditors and claims	<ul style="list-style-type: none"><li>• Maintaining Client communication and dealing with queries. A significant amount of time has been spent dealing with client queries throughout the Administration;</li><li>• Executing several outbound telephone and email campaigns to Clients;</li><li>• Circulating our approved proposals;</li><li>• Responding to enquiries from Creditors and submission of claims;</li><li>• Formation of Client and Creditors Committee and associated technicalities.</li><li>• Scheduling, preparation and attendance at the third meetings of the Committee;</li><li>• Drafting, reviewing and issuing of the Joint Administrators First Progress Report;</li><li>• Liaising with Joint Administrators Compliance functions regarding GDPR;</li><li>• Uploading client statements to the dedicated client portal; and</li><li>• Data extraction/cleanse in respect of communication to clients, provision information and assessment of the number of individual clients to the FSCS.</li></ul>

SCHEDULE OF EXPENSES INCURRED FOR THE PERIOD FROM 13 APRIL 2024 TO 12 OCTOBER 2024

Standard Disbursements

Type	Charged by	Description	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Bond Fee	AUA Insolvency Risk Services	Insurance bond	266.66	-	-	-
Document Hosting*	Pelstar	Hosting of documents for creditors	42.00	14.00	56.00	-
Software Licence Fee *	Pelstar	Case management system licence fee	87.00	-	-	-
Statutory Advertising	Courts Advertising	Advertising	4,749.30	-	-	-
Storage Costs	Auctus	Storage of books and records	-	-	-	-
Postage Costs	Postworks	Cost of sending letters	21,304.13	10,172.40	11,355.33	9,948.80
		<b>Total standard expenses</b>	<b>26,463.09</b>	<b>10,186.40</b>	<b>11,411.33</b>	<b>9,948.80</b>

Case Specific Disbursements

Charged by	Description	Total Amount Incurred to Date	Amount Incurred in This Period	Amount Paid	Amount Unpaid
		£	£	£	£
Leonard Curtis	Staff Mileage	2,106.11	160.30	1,998.31	-
Leonard Curtis Staff	Travel Costs / Employee Costs re Site Attendance	1,815.12	289.07	1,815.12	-
Leonard Curtis Staff	Other Employee Expenses incurred following attendance at Company premises	222.00	-	-	-
Prism 339 Limited	Analysis Report on Bank Statements	800.00	-	800.00	-
MSP Global Trading Limited	Equipment Hire in relation to the Client and Creditors Meeting	3,000.00	-	3,000.00	-
SKS (GB) Limited	Tax Advice	2,062.50	-	2,062.50	-
Hill Dickinson LLP	Legal Services	55,226.18	52,551.18	55,226.18	-
Stanley Dock Hotel Limited	Venue Hire in respect of Client and Creditor Meeting	4,991.67	-	4,991.67	-
Various	Operational Costs	2,804,059.16	2,804,059.16	2,803,839.16	220.00
Ashursts	Legal Services	1,590,223.00	1,590,223.00	1,590,223.00	-
Ashurst	Legal Disbursements	38,601.52	38,601.52	38,601.52	-
Black & Callow	Printing Services in relation to client correspondence	119,830.77	100,502.21	119,830.77	-
Call Care Limited	Client Call Centre - Standing Charges and call costs	17,267.40	9,000.00	17,267.40	-
BVI Financial Services Commission	Companies Search Report	1,450.00	-	-	1,450.00
UK Tracing	Tracing Services	21.00	-	21.00	-
Silonco Limited	IT Professional Services relating to the Company's server	18,135.37	13,997.00	18,135.37	-
Pelstar Computing Limited	Construction of Client Portal	39,725.00	21,625.00	39,725.00	-
Crowe UK LLP	Accounting Services	17,380.00	8,850.00	17,380.00	-
Evolve IS Limited*	Employee claim assistance and pension advice	150.00	150.00	150.00	-
Discovery Legal Services	Tracing services	1,675.00	1,675.00	1,675.00	-
Signature Corporate Finance	Marketing and assistance with negotiating a sale of the whole / part of the business and its assets.	200,000.00	200,000.00	200,000.00	-
ICO	Data protection registration fee	100.00	40.00	100.00	-
Business Tax Centre	Anti Money laundering Search	5,930.00	5,930.00	5,930.00	-
ideals Solution Group Ltd	Data Room	1,960.00	1,680.00	1,680.00	280.00
Mail Redirect	Re-Direction of Post	775.00	775.00	775.00	-
USD Bank Charges	Associated Bank Charges	62.04	62.04	62.04	-
Euro Bank Charges	Associated Bank Charges	3.91	3.91	3.91	-

GBP Bank Charges	Associated Bank Charges	1,476.45	441.55	1,476.45	-
	<b>Total case specific disbursements</b>	<b>4,929,049.20</b>	<b>4,850,615.94</b>	<b>4,926,769.40</b>	<b>1,950.00</b>

OVERALL ESTIMATED EXPENSES INCLUDING ANTICIPATED TOTAL TRADING EXPENSES

Type	Description	Estimated	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
		£		£	£	£
Salaries and pensions	Costs relating to salaries for retained staff	1,086,000.00	1,087,964.64	490,046.55	1,087,964.64	-
Sundry Expenses	Expenses incurred by staff of the Company for which they are entitled to reimbursement	2,000.00	1,708.80	-	1,708.80	-
Staff Benefits	Childcare voucher provider / Health Care	1,680.00	2,464.05	968.80	2,464.05	-
Subcontractor costs	CASS consultant and financial controller	256,450.00	234,870.00	88,755.00	234,870.00	-
IT systems and Support & Market infrastructure, associated software and data	All Funds, Euroclear, LSE, Fundtech, Iress, Swift, Bloomberg, Alpha,ICE, Dynamic Planner, Contemi, Resman	1,110,688	906,576.63	460,887.61	906,576.63	-
Software Fees	Cost of software required to run day to day accounting and monthly payroll and prepare and submit pension schedules	1,440.00	1,624.50	874.00	1,624.50	-
Rent, Rates and Service Charges	Rent and service charges for offices and parking at trading address	304,946.00	294,941.36	141,865.01	294,941.36	-
Utilities and telephone	Utilities and telephone	27,279.00	24,159.76	15,389.18	24,159.76	-
Asset finance	Cost in respect of financed office computer equipment	8,532.00	573.66	-	353.66	220.00
Confidential Waste	Confidential shredding costs	1,239.00	192.89	-	192.89	-
Accounting Software & Services	Cost of accounting software package and licence	5,534.00	8,882.00	8,882.00	8,882.00	0.00
Loan interest and charges	Loan interest and charges	262,000.00	238,288.98	238,288.98	238,288.98	-
Insurance Costs	Costs of Open Cover Insurance	1,050.00	-	-	TBC	TBC
Contingency provision	Contingency provision	65,000.00	1,811.89	-	1,811.89	-
	<b>Total case specific expenses</b>	<b>3,138,038.00</b>	<b>2,804,059.16</b>	<b>1,445,957.13</b>	<b>2,803,839.16</b>	<b>220.00</b>

## Leonard Curtis policy regarding fees and expenses

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

**Staff Allocation and Charge Out Rates**

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

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

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

	6 Jan 2014 onwards		1 Aug 2019 onwards		1 March 2021 onwards	
	Standard £	Complex £	Standard £	Complex £	Standard £	Complex £
Director	450	562	525	656	550	688
Senior Manager	410	512	445	556	465	581
Manager 1	365	456	395	494	415	518
Manager 2	320	400	345	431	365	456
Administrator 1	260	325	280	350	295	369
Administrator 2	230	287	250	313	265	331
Administrator 3	210	262	230	288	245	306
Administrator 4	150	187	165	206	175	219
Support	0	0	0	0	0	0

In respect of assignments pre-dating 1 March 2022, office holders' remuneration may include costs incurred by the firm's in-house legal team, which may be used for non-contentious matters pertaining to the insolvency appointment.

**Use of Associates**

We are required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to Associates of Leonard Curtis (LC). The term "Associate" is defined in s435 of the Insolvency Act 1986, but we are also required to consider the substance or likely perception of any association between the appointed insolvency practitioner, their firm (LC) or an individual within the firm and the recipient of a payment. Payments to Associates are subject to the same level of approval as the office holder's fees and category 2 expenses (see table on the next page for further details).

Leonard Curtis Legal Limited (LC Legal) are part of the Leonard Curtis group; as such they are an "Associate" of LC. Where LC Legal are instructed to assist an officeholder in a particular matter from 1 March 2022 onwards, details of their proposed costs will be provided to creditors and specific approval for payments to associates will be sought.

In March 2024, Vinden Consulting entered into a consultancy agreement with Leonard Curtis which allows them to provide support on recovery issues faced on insolvency and restructuring cases, particularly in the construction / property sector. Because of the consultancy agreement, we will treat Vinden Consulting as an "Associate". Details of Vinden Consulting's proposed costs on any cases on which they are engaged will be provided to creditors and creditors' approval for payments to associates will be sought.

Additionally, Pelstar Limited (Pelstar) provides insolvency case management software and document hosting facilities to LC. Until 31 December 2022, LC employed an individual who is married to a director of Pelstar, and as such, whilst not meeting the legal definition of "Associate", we were aware that there was a perceived association between LC and Pelstar and specific approval of their costs were sought accordingly. As this individual is no longer employed by LC, this is no longer required and Pelstar costs invoiced with effect from 1 January 2023 will be paid without prior approval.

### Use of Professional Advisors

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

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

### Use of Subcontractors

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

### Categorisation of Expenses

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

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

Type	Description	Amount																								
AML checks via Smartsearch	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per search. Note that with effect from 1 April 2021, these costs are no longer recovered from the estate.																								
Bond / Bordereau fee via AUA Insolvency Services	Insurance bond to protect the insolvent entity against any losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches via Companies House	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting via Pelstar Limited	Hosting of documents via a secure portal for access by creditors/shareholders. Costs are charged per upload plus VAT and are generally dependent upon the number of creditors. The costs are commensurate with those charged by other providers of comparable services.	<table> <tr> <th>Type</th><th>First 100</th><th>Each addtl 10</th></tr> <tr> <td>ADM</td><td>£14.00</td><td>£1.40</td></tr> <tr> <td>CVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>MVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CPL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CVA</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>BKY</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>IVA</td><td colspan="2">£10 pa or £25 for life of case</td></tr> </table>	Type	First 100	Each addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 pa or £25 for life of case	
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BKY	£10.00	£1.00																								
IVA	£10 pa or £25 for life of case																									
Software Licence fee hosting via Pelstar Limited	Payable to software provider for use of case management system. The costs are commensurate with those charged by other providers of comparable services.	£87.00 plus VAT per case																								
Postage via Royal Mail or Postworks	Cost of posting documents which are directly attributable to a case to external recipients	Calculated in accordance with applicable supplier rates and dependent on the number of pages and whether the document is sent by international, first or second class post.																								
Post re-direction via Royal Mail	Redirection of post from Company's premises to office-holders' address	0-3 months £216.00 3-6 months £321.00 6-12 months £519.00																								
Statutory advertising via advertising agents	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£91.80 - £102.00 plus VAT per advert. Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£6.57 plus VAT per box per annum plus handling charges																								

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include but may not be restricted to:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions. Where the solicitor appointed is LC Legal, any fee payable for work completed is classed as a payment to an associate and requires specific creditor / committee approval as detailed above.	Time costs plus disbursements plus VAT
Other expenses	See Category 1 and 2 expenses notes below	See Category 1 and 2 expenses notes below

Please note that expenses are generally categorised as Category 1 or Category 2:

- a) Category 1 expenses: These are payments to independent third parties providing the service to which the expense relate. These may include, for example, advertising, external room hire, storage costs, postage costs, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 expenses may be paid without prior approval.
- b) Category 2 expenses: These are costs that are directly referable to the appointment in question, but not paid to an independent third party. They may include costs which have an element of shared cost. The following items of expenditure are recharged on this basis and are charged at HMRC approved rates:
  - Business mileage : 45p per mile

Payments to Associates (as defined above) are categorised by LC in the same way as Category 2 expenses. Category 2 expenses and payments to Associates may only be drawn if they have been approved in the same manner as an office holder's remuneration.

## PRIVACY NOTICE FOR CLIENTS AND CREDITORS

Last updated: 23 November 2023

### 1. INTRODUCTION

- 1.1 Your privacy and trust are important to us. This data protection notice (the “**Notice**”) describes the types of personal information Blankstone Sington Limited (in Special Administration) (“**Blankstone**”, “**We**”, “**us**” or “**our**”) collects about you, how that information is used and with whom such information is shared. It also describes the measures we take to protect your personal information, your rights in relation to our personal information and how you can reach us to answer any questions you may have about our privacy practices or this Notice.
- 1.2 We are a Controller for the purposes of the applicable privacy laws in the jurisdictions in which we operate, including the General Data Protection Regulation (EU) 2016/679 (“**EU GDPR**”) (including as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of Section 3 of the European Union (Withdrawal) Act 2018) (“**UK GDPR**”), the UK Data Protection Act 2018, the United Kingdom's Privacy and Electronic Communications (EC Directive) Regulations 2003 and the European Privacy and Electronic Communications Directive (Directive 2002/58/EC) (together, the “**Data Protection Laws**”).
- 1.3 For the purposes of this Notice, references to “**you**” or “**your**” shall mean any personal investors, clients, creditors and employees, directors, and shareholders of our clients each of whom are located in either the United Kingdom or a European Member state and whose personal information is provided during the course of the special administration of Blankstone.
- 1.4 Andrew Poxon, Alex Cadwallader and Hilary Pascoe, each qualified insolvency practitioners of Leonard Curtis, Riverside House, Irwell Street, Manchester, M3 5EN were appointed to act as Joint Special Administrators of Blankstone (the “**Special Administrators**”) on 13 October 2023, pursuant to an application by the Directors of Blankstone.

### 2. PERSONAL INFORMATION WE COLLECT

- 2.1 We will use your personal information to carry out activities that form part of the operation of our business or the Special Administration of Blankstone. Personal information is information that either alone or in combination with other information can directly or indirectly identify you. Most of this information is necessary for us to comply with our legal obligations, to enter into a contract with you or your employer, or for a legitimate business purpose. This includes what you tell us about yourself and what we learn by having you as a client or creditor.
- 2.2 Whether this collection is mandatory, or voluntary, will depend on the reason why we are collecting your personal information. For example, if you are a client or creditor of ours, we may require certain mandatory information from you to be able to deal with any claims you may have in the Special Administration. If you refuse or fail to supply this information that may make it more difficult for us to be able to deal with such claims.
- 2.3 We have set out below a description of the types of personal information about you which we will collect and process in different situations when you interact with us.
  - Your first and last name, date of birth;
  - Contact information including telephone number, business and/or personal address(es), email address;
  - Information regarding your job including your employer/company, job title;
  - Financial information, such as your bank account information and information regarding any custody assets or client money held by us on your behalf;
  - Proof of identification in the form of copies of your passport, driving licence or other identity documents like utilities bills;
  - Personal information and contact information which you provide in correspondence with us, whether by email, written letter, or telephone call (this will be information

- volunteered by you, it could include the reasons why you have decided to invest, or were your investment money has come from, by way of example);
- Information relating to any claims you submit to us in connection with Custody Assets and/or Client Money;
  - IP address, login and browsing history on any date room or portal we may use, operate or provide;
  - Transaction history with us (including capital account balance and other account data, and participation in other investments);and
  - Information relating to your use of our services, any other Blankstone products and services you currently have, you have applied for or you have previously held.
- 2.4 We may also ask you to provide or you may tell us about sensitive types of personal information such as any data about religious, ideological, political or trade union views or activities, your health, private life, the intimate sphere or racial origin, social security measures (“**Special Category Personal Information**”). When we receive information about your health or disability requirements, we may use it to support you by making adjustments to our services and to protect your best interests, including your economic well-being. We will only process Special Category Personal Information where we are lawfully permitted to do so.
- 2.5 If you provide personal information about someone else, it is your responsibility to ensure that you have obtained appropriate authority to disclose that personal information to us for the purposes as described in this Notice. In particular, you shall ensure the individual concerned is aware of the various matters detailed in this Notice, as those matters relate to that individual, how to contact us, the purposes of collection of personal information, the individual's right to obtain access to the information and the consequences if the information is not provided.

### 3. WHY WE COLLECT YOUR PERSONAL INFORMATION

- 3.1 We mainly use the personal information we hold about you where it is necessary for us to perform our contract with you and/or to enable us to comply with legal obligations. We use personal information in accordance with this Notice and for the following purposes:
- (a) To verify your identity for the purpose of preventing fraud or other financial crime, complying with statutory, regulatory and internal compliance requirements for on-boarding in relation to anti-money laundering requirements;
  - (b) In connection with applicable legal or regulatory requirements, including such obligations which arise as a result of the Special Administration of Blankstone;
  - (c) To respond to requests and communication from competent authorities, which may include courts and tribunals;
  - (d) In relation to services we receive from our professional advisors , such as lawyers, accountants and consultants;
  - (e) Managing and making information available to third party service providers (including providers of due diligence services);
  - (f) In order to protect our rights and those of our clients;
  - (g) For insurance purposes;
  - (h) To send you invoices or reminder notices;
  - (i) Compiling statistical analysis;
  - (j) To comply with our legal, taxation, regulatory and/or reporting obligations;
  - (k) Disclosing personal information to other functionaries of Blankstone for the purpose of accounting, legal, tax and regulatory filings, reporting and other administrative activities related to the Special Administration of Blankstone; and/or
  - (l) In respect of any transfer of the business or assets in the business, restructuring or administration proceedings.
- 3.2 Your personal information will also be used when it is in our legitimate interest. A legitimate interest is when we (and sometimes third parties) have a business or commercial reason to use your information. Our legitimate interest include:
- (a) In the performance of activities that form part of the operation of our business or the Special Administration of Blankstone;
  - (b) In the effective and lawful operation of our business so long as such interests are not outweighed by your interests; or

- (c) For tax purposes or providing information to a public body or law enforcement agency.
- 3.3 Examples of the 'legitimate interests' referred to above are: (i) to benefit from cost-effective services (e.g. we may opt to use certain IT platforms offered by suppliers); (ii) to verify the accuracy of information provided by a third party; (iii) to prevent fraud or criminal activity; (iv) to safeguard the security of our IT systems, architecture and networks, and of our physical premises; and (v) to exercise our rights under articles 16-17 of the charter of fundamental rights, including our freedom to conduct a business and right to property. But even then, our legitimate interest must not unfairly go against what is right and best for you.
- 3.4 Where we are relying on your consent to process your personal information, you are entitled to withdraw your consent at any time. Please note, if you do withdraw your consent, this will mean that we will stop similar future processing. However, the withdrawal of your consent will not invalidate any processing which we previously undertook before you withdrew your consent.
- 4. WHO WE SHARE YOUR PERSONAL INFORMATION WITH**
- 4.1 In connection with one or more of the purposes set out above, we may disclose personal information to:
- (a) The Special Administrators (and employees of their firm, Leonard Curtis);
  - (b) Our and the Special Administrators' legal and other professional advisors, auditors and independent consultants;
  - (c) Government and regulatory bodies such as tax authorities, financial regulators/ombudsmen and non-financial regulators (depending on the circumstances of the sharing);
  - (d) Other organisations and businesses who provide services to us under contract such as maintaining or servicing customer accounts, providing back up and server hosting providers, IT software and maintenance providers, document storage providers and suppliers of other back office functions;
  - (e) Buyers or successor brokers of Blankstone and their professional representatives as part of any transfer of custody assets and client money; and/or
  - (f) Identity verification agencies, credit-referencing agencies, anti-money laundering screening services.
- 5. TRANSFER OF PERSONAL INFORMATION**
- 5.1 We may transfer your personal information to jurisdictions outside of the United Kingdom or European Economic Area (EEA) and in such circumstances we will comply with the requirements under applicable Data Protection Laws to ensure that there are appropriate safeguards in place to protect the personal information and will ensure that it will only disclose such information on a need to know basis and solely for the purposes of complying with its obligations in the context of providing its services to us, if you would like more information about the safeguards we have in place in respect of such transfers please contact us using the details set out below.
- 6. HOW WE KEEP PERSONAL INFORMATION SECURE**
- 6.1 We take appropriate technical and organisational measures to keep your information confidential and secure in accordance with our internal procedures covering the storage, access, and disclosure of information. Information may be kept on our information technology systems, in the information technology systems of our third-party service providers, or in paper files.
- 7. HOW LONG WILL WE RETAIN YOUR PERSONAL INFORMATION**
- 7.1 We may keep personal information provided we have an ongoing legitimate business need to do so (including without limitation to provide you with a service that you have requested or to comply with any applicable legal, tax or accounting requirements). We may also retain personal information for the purposes of responding to any questions or complaints,

maintaining records according to rules that apply to you, or preventing fraud or other financial crime.

**8. YOUR RIGHTS**

8.1 We respect your legal rights in relation to your personal information.

8.2 You have a number of rights over your personal information including a right to object to the processing of your information. You will not be able to use these rights in all circumstances.

8.3 Where applicable, you have the right to:

- (a) Be informed about our processing of your personal information;
- (b) Have inaccurate/incomplete personal information corrected/completed;
- (c) Object to the processing of your personal information;
- (d) Restrict the processing of your personal information;
- (e) Have your personal information erased;
- (f) Request access to your personal information and to obtain information about how we process it;
- (g) Move, copy or transfer your personal information digitally; and
- (h) Object to automated decision making, such as profiling.

8.4 To exercise your rights as set out above, please write to us using the contact details below. There is no fee for making these requests. However, if your request is excessive or unfounded, we can charge a reasonable fee or refuse to comply with it. We may request that you provide information necessary to verify your identity before responding to any request you make.

8.5 You also have the right to lodge a complaint with your local data protection regulator if you think that we have infringed any of your rights.

8.6 If you are unhappy about the way in which we collect or use the personal information or the way in which a complaint has been handled, you have a right to complain to the data protection authority in the jurisdiction in which you are domiciled, or where the alleged infringement of the Data Protection Laws have taken place. For more information, please contact your local data protection authority. In the United Kingdom, this is the UK Information Commissioner's Office who can be contacted at <https://www.ico.org.uk/global/contact-us>. If you do not know who this is please contact us using the contact details below so we can help you identify the correct authority.

**9. CONTACTING US**

9.1 If you have any queries in respect of this Notice or would like to exercise your rights please contact us using following details:

For the attention of Andrew Poxon, Alex Cadwallader and Hilary Pascoe, Special Administrators.

- Name: Blankstone Sington Limited (in Special Administration)
- Address: c/o Leonard Curtis, Riverside House, Irwell Street, Manchester, M3 5EN (marked for the attention of Carl Lever)
- Email: [blankstone@leonardcurtis.co.uk](mailto:blankstone@leonardcurtis.co.uk)
- Phone: +44 (0) 161 820 4238

**10. CHANGES TO THIS NOTICE**

10.1 We reserve the right to update this Notice at any time, and we will notify you when we make any significant updates.

10.2 We will also notify you in other ways from time to time about the processing of your personal information.

10.3 The Special Administrators are issuing this Notice as agents for and on behalf of Blankstone and neither they, their firm, nor any of their partners, employees, agents or representatives

shall incur any personal liability whatever under or in relation to this Notice including (without limitation) in respect of any of the obligations undertaken by Blankstone or in respect of any failure on the part of Blankstone to observe, perform or comply with any such obligations; or under or in relation to any associated arrangements or negotiations; or under any document or assurance made pursuant to this Notice.