

A thick, vibrant blue wavy line that starts at the top left, curves downwards and to the right, and then levels out towards the bottom right, creating a dynamic, fluid background element.

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Reyker Securities Plc (in special administration)

2 May 2025

The joint special administrators' progress report for the period from 8 October 2024 to 7 April 2025 pursuant to Rule 122 of The Investment Bank Special Administration (England and Wales) Rules 2011

S&W

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1. Glossary

Abbreviation	Description
Act	The Insolvency Act 1986.
Argento	Argento Access SARL
Authorities	The Bank of England, HMRC and the FCA.
CAI	Corporate Action Income, being income received with respect to Custody Assets held by the Company on behalf of its Clients following the appointment of the JSAs (to include dividends, coupon payments and redemptions).
CASS	The FCA's "Client Assets Sourcebook" rules.
CARS	A Client Assets Return Statement, being a statement prepared by the JSAs to provide Clients with important information regarding the return of their Custody Assets under the Distribution Plan.
Claim Form	The form to be completed and returned to the JSAs by any Creditor or Client who wishes to submit a creditor claim (a copy is available to download at www.ips-docs.com).
Client	A party for whom the Company held either Client Money or Custody Assets or both on their behalf.
Client Assets	Client Money and Custody Assets.
Client Money	Money of any currency that the Company has received or holds for, or on behalf of, a Client in the course of, or in connection with any of its businesses as referenced in CASS 7.10.1 and any money that the Company treats as client money in accordance with the Client Money Rules contained in CASS 7.10. to 7.19.
Client Money Rules	CASS 7 and 7A, being provisions for the handling and distribution of Client Money.
CMIF	Client Money Instruction Form. The form to be completed and returned to the JSAs by any Client who wishes to submit their preferences for the distribution of Client Money.
CMP	The Client Money Pool, being the pool of Client Money 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 distributing the Client Money.
Company / Reyker	Reyker Securities Plc (in special administration) (Company Registration Number: 01747595)
Court	High Court of Justice, Business and Property Courts of England and Wales.
Creditor	Any party who is owed an amount from the Company, including 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 of either Client Money or Custody Assets; iii) any other creditor who is owed an amount from the Company, to include secured, preferential or ordinary unsecured creditors.
Creditors' Committee	The committee of Clients and Creditors established to take certain decisions on behalf of the Clients and Creditors as a whole.
CTF	Child Trust Fund.
Custody Assets	The securities (including stock, shares and other investments) held for and on behalf of the Clients by the Nominee as at the JSAs' appointment.
Directors	The registered directors of the Company as scheduled at Appendix I .
Distribution	A return of Client Assets pursuant to the Distribution Plan which is not a Transfer (i.e. where the Client Assets are not returned to a Nominated Broker).
Distribution Plan	The distribution plan approved by the court on 16 October 2020 and prepared in accordance with the Regulations and the Rules, to facilitate the return of Custody Assets and / or CAI.

FCA	Financial Conduct Authority.
FSCS	Financial Services Compensation Scheme.
FSCS Compensation Deed	The agreement between the FSCS, the Company and the JSAs (dated 1 December 2020) to advance compensation due to FSCS Protected Claimants (with regard to their share of the costs for returning Client Money and Custody Assets) directly to the Special Administration, with a view to defraying the costs of pursuing Objective 1 as they fall due and to ensure FSCS Protected Claimants can receive a full return of their Client Assets (subject to compensation limits) without the need to apply for compensation directly to the FSCS.
FSCS Protected Claimant	A claimant who the FSCS agree is eligible to receive compensation for some, or all, of the costs of the special administration incurred in relation to the claimant.
FSMA	The Financial Services and Markets Act 2000.
Hard Bar Date	A date approved by the Court as being the last date for Clients to submit a claim to their respective Client Assets. After such date, the Client will lose their entitlement to their Client Assets and only have rights to submit an unsecured claim against the Company (for the value of their unclaimed Client Assets).
Hilco	Hilco Appraisal Limited – t/a Hilco Valuation Services.
HMRC	HM Revenue & Customs.
House Accounts	The JSAs' bank accounts dedicated to holding realisations of House Assets.
House Assets	The Company's own assets available for realisation to the administration estate.
IFA	Independent Financial Advisor.
IF ISA	Innovative Finance ISA.
Investment bank	A company based in England and Wales with permission under FSMA to carry on certain regulated activities which holds Client Assets.
Investment Manager	An organisation that manages investments in funds and other portfolios of Client Custody Assets on behalf of Clients under the terms of an investment management agreement.
James Brearley	James Brearley & Sons Limited, being one of the JSAs' Nominated Brokers
JSAs	The Joint Special Administrators, being Mark Christopher Ford, Adam Henry Stephens and Henry Anthony Shinnars of S&W Partners LLP (formerly Evelyn Partners LLP).
The JSAs' Reconciliation	An independent reconciliation of the Client Money and Custody Assets completed by the JSAs.
Kin Capital	Kin Capital Partners LLP, being one of the JSAs' Nominated Brokers
Logic	Logic Investments Limited, being one of the JSAs' Nominated Brokers
NatWest	National Westminster Bank plc, being the secured creditor.
Nominated Broker	One of the designated brokers selected by the JSAs who will receive a Transfer of Custody Assets following the approval of the Distribution Plan.
Nominee	A corporate entity, not the owner, in whose name a security (e.g. stock or bond) is registered.
Non-Returnable	Client Custody Assets which the JSAs determine cannot be transferred to a new broker
Objectives	The three statutory objectives of a special administration in accordance with the Regulations.
Objective 1	To ensure the return of Client Assets as soon as is reasonably practicable.
Objective 2	To ensure timely engagement with market infrastructure bodies and Authorities pursuant to regulation 13 of the Regulations.
Objective 3	To either rescue the investment bank as a going concern or, alternatively, to wind it up in the best interests of the Company's creditors.

Pershing	Pershing Securities Limited, being one of the JSAs' Nominated Brokers
Portal	The online Client Claim Portal, available at www.reykerportal.com
Post Pooling Accounts	Accounts opened following the appointment of the JSAs' appointment to segregate Corporate Action Income received after 8 October 2019 from the CMP.
Proposals	The JSAs' proposals for achieving the Objectives of the Special Administration.
Regulations	The Investment Bank Special Administration Regulations 2011 as amended by The Investment Bank (Amendment of Definition) and Special Administration (Amendment) Regulations 2017.
RPS	The Redundancy Payments Service, being a government department that pays outstanding entitlements to employees following and insolvency event (subject to statutory limits).
Rules	The Investment Bank Special Administration (England and Wales) Rules 2011.
S&W Partners	S&W Partners LLP (formerly Evelyn Partners LLP and Smith and Williamson LLP)
SAR	The Special Administration Regime, to include the Regulations and the Rules.
Share of Costs	The share of the costs payable by a Client under the terms of the Distribution Plan in respect of the return of Custody Assets, which under the terms of the Distribution Plan cannot exceed £2,500.
Soft Bar Date	7 April 2020, which is the bar date set by the JSAs for the submission of claims to their Custody Assets or Client Money or both according to regulations 11 and 12A of the Regulations.
Special Administration	The Special Administration of the Company following a court order dated 8 October 2019.
SIP	Statement of Insolvency Practice (England & Wales).
SIPP	Self-Invested Personal Pension.
Thompson Taraz	Thompson Taraz Depositary Limited, being one of the JSAs' Nominated Brokers
Transfer	The Transfer of Custody Assets and / or CAI to one of the Nominated Brokers in accordance with the provisions of the Distribution Plan
'we'/'our'/'us'	The Joint Special Administrators, being Mark Christopher Ford, Adam Henry Stephens and Henry Anthony Shinnars of S&W Partners LLP (formerly Evelyn Partners LLP).
Website	The designated webpage used by the JSAs to update Clients and upload key documents, being https://www.swgroup.com/services/restructuring-and-recovery-services/reyker-securities-plc/

2. Introduction

From 31 March 2025, we are operating under a new brand and the firm's name has changed to S&W Partners LLP (formerly Evelyn Partners LLP). Please note that this is a change to our brand only and that the services provided are unaffected.

By way of reminder, Mark Ford, Adam Stephens and Henry Shinnars of S&W Partners LLP (formerly Evelyn Partners LLP and Smith and Williamson LLP), 45 Gresham Street, London, EC2V 7BG, were appointed as the joint administrators of the Company on 8 October 2019.

The Company is in a specialist insolvency process known as an Investment Bank Special Administration, a process which was introduced in 2011. The detail of this process is set out in the Regulations and the Rules which must be read together with CASS (together "the Legislation"). The Legislation is written to ensure that a fair and consistent approach is applied to all Clients in relation to their Client Assets and the return thereof.

This is the JSAs' eleventh progress report, produced in accordance with Rule 122 of the Rules, to provide Clients and Creditors with an update on the progress of the Special Administration for the six-month period from 8 October 2024 to 7 April 2025.

The JSAs' Proposals were made available to all known Clients and Creditors on 25 November 2019. The initial meeting of Clients and Creditors was held on 16 December 2019, at which the Proposals were approved by Clients and Creditors without modification.

You are encouraged to read this progress report in conjunction with the Proposals and the JSAs' preceding progress reports, copies of which can be found at <https://www.swgroup.com/services/restructuring-and-recovery-services/reyker-securities-plc/>.

Appendix I contains information in respect of the Company and the JSAs that is required under the Rules.

3. Executive summary

3.1 The return of Custody Assets and CAI

During the period, the JSAs have continued to process the remaining Transfers and Distributions of transferrable Custody Assets and CAI to the five Nominated Brokers or to Clients' own choice of alternative broker. This has included liquidating Clients' Custody Assets where they have provided instructions to do so and the Custody Asset held can be readily sold.

Of the 8,996 Clients who held Custody Assets when the Transfer and Distribution process commenced, there now remains only 134 Clients with a transferrable Custody Asset at Reyker. The total number of different Custody Assets held by these Clients, currently held by Reyker, that can be transferred are 79. There are various issues preventing a straightforward transfer of these remaining Custody Assets, which the JSAs continue to try to address so as many Custody Assets as possible are moved to new brokers or liquidated in accordance with Clients' instructions.

These figures exclude Clients who are holders of the Argento loan notes. These are presently categorised as Non-Returnable, however, the JSAs continue to work closely with Luxembourg solicitors on what further steps are possible to recover any value for these investments or, alternatively, enable the transfer of these Custody Assets to Clients.

Further information can be found in section 5.1 below.

3.2 Distribution of Client Money

During Summer 2023, a third, full and final distribution of Client Money was declared and paid to the majority of FSCS Protected Claimants (who had submitted a claim and valid CMIF) in advance of a Hard Bar Date. This resulted in the distribution of a further £1.3 million from the CMP.

Over the last six months, the JSAs have continued to process further distributions of Client Money as and when the requisite action has been completed by either the respective Client or receiving broker.

Of the 9,192 Clients who held Client Money, 8,088 Clients (88%) have now received their respective share of Client Money in full, without deduction for costs given the FSCS compensation and funding arrangements under the FSCS Compensation Deed (previously 8,043 Clients). More than £100k of Client Money has been returned to Clients during the report period.

Clients that are either not FSCS Protected Claimants or, alternatively, FSCS Protected Claimants whose respective share of costs exceed the compensation limit could not receive any further Client Money as part of the third and final distribution as the sums previously retained from prior distributions are required to meet the respective Clients' share of the estimated distribution costs. There has been no change to this position during the report period.

Notwithstanding this, depending on the costs to conclude the Hard Bar Date application, the JSAs still anticipate a small and final balance of Client Money may be paid to such Clients once the CMP has been closed to all claims and the total cost of the Client Money distribution finalised; particularly in circumstances where any unclaimed Client Money held after the Hard Bar Date are permitted by the court to be applied against such costs.

The JSAs have been keen to close the CMP as early as possible, however, as explained in detail during previous reports, this requires an application to the Court to set a Hard Bar Date (which will act as the last possible date for claims to the CMP by any party) once the JSAs consider that there is no reasonable prospect of any further claims to Client Money being received.

During the period, we received new claims to Client Money at an average of circa four new claims per month (being an increase on previous report periods). There remains more than 750 Clients who are yet to submit a claim. Accordingly, based on previous legal advice, which has been revisited and repeated in the period, the JSAs do not consider that an application for a Hard Bar Date is appropriate at this time. The JSAs are continuing to review this position with their legal team are looking at it afresh in light of the progress being made in returning Custody Assets and recent court practice dealing with hard bar date applications.

Clients who are yet to submit a claim to Client Money and/or their Client Money distribution instructions are referred to section 3.4.2.

3.3 Anticipated outcome for Clients and Creditors

3.3.1 Clients

As previously reported:

- The Distribution Plan (as approved by the Court) sets out the basis and methodology for allocating the costs incurred by the JSAs in pursuing Objective 1 for Custody Assets. The Distribution Plan estimates that Clients will be charged a fixed fee (the Share of Costs) of no more than £2,500 in respect of the return of their Custody Assets, however, this will be capped to the lower of the fixed fee or the value of a Client's Custody Assets as at 8 October 2019; and
- Costs for dealing with the CMP will be levied proportionately as a percentage of each Client's Client Money balance. As previously reported, it is anticipated such costs will be up to 12% of the CMP, however, this remains subject to Client behaviours and timing to finalise all CMP claims.

Whilst these costs may be deducted from the respective Client Assets in accordance with the Regulations and CASS, more than 99% of Clients qualify for FSCS compensation and, therefore, other than a very small number of exceptions, these **Clients will not have to meet these costs (as they will be settled by the FSCS) and will receive a full return in respect of their Custody Assets and Client Money.**

3.3.2 Creditors

The outcome for creditors is dependent upon:

1. The level of House Asset realisations to the Company's estate; and
2. The costs of the Special Administration in pursuing Objectives 2 and 3.

The Company had very few assets at the time of the Special Administration with even its regulatory capital tied up in the development (and balance sheet capitalisation) of a software application. Given the level of costs and expenses incurred in relation to Objectives 2 and 3, the JSAs believe it is very unlikely that a dividend will be paid to any class of creditor.

3.4 What do Clients need to do?

Clients that have received their Client Money and have had their Custody Assets transferred or Distributed do not need to do anything further. The JSAs must, in accordance with the Rules, send a copy (or notice) of this report to these Clients notwithstanding the fact that their economic interest in the process is complete.

3.4.1 Clients with Custody Assets and/or CAI

The JSAs will continue to process both Transfers of Custody Assets and/or CAI to the Nominated Brokers and Distributions to those brokers designated by Clients respectively.

Clients who either opted out of the Transfer or did not have a Nominated Broker (e.g. IF ISA and CTF Clients) and are still to submit their Distribution instructions are strongly urged to do so by contacting client services on 0207 397 2586 or, alternatively, by email at clientservices@reyker.com to avoid any further delays to the Distribution of their Custody Assets and/or CAI.

The JSAs also welcome instructions from any Clients who have Custody Assets remaining at Reyker which may be liquidated (sold) so they can receive back the value of their investments.

3.4.2 Clients with Client Money

Clients who are yet to submit a claim to Client Money and/or their Client Money distribution instructions or, alternatively, still need to update a previously submitted 'hold' instruction should either log on to the Portal or contact client services as soon as possible to provide their instructions.

Additional information as to how to access the Portal and submit your CMIF is available on the Website.

Clients who wish to update their CMIF (e.g. change of bank account details) can do so by writing to client services by email at clientservices@reyker.com or, alternatively, by post at Reyker Securities plc (in special administration), c/o RRS, S&W Partners LLP, 45 Gresham Street, London, EC2C 7BG.

Should you have any queries, please contact Client Services on 0800 048 9512 or by email at clientservices@reyker.com.

Please note, Clients that are yet to submit their claim to Client Money are encouraged to urgently engage with the process, even if they consider their Client Money balance to be relatively small, as the JSAs intend on making an application to court to set a Hard Bar Date, after which Clients who have not submitted their claim will lose their rights to claim Client Money in the CMP.

Clients, with smaller claims, that do not wish to pursue any repayment of funds are still encouraged to submit their claim and to provide instructions for their entitlements to be paid to charity

3.4.3 Further information

Instructions on how to access the Portal, along with the most recent reports, updates and documents, can be found at the Website (<https://www.swgroup.com/services/restructuring-and-recovery-services/reyker-securities-plc/>).

Should you have any queries relating to the Special Administration, submitting a claim to Client Assets or would like to request a hard copy of any of the documents available on the Website (which will be provided at no cost) please contact us by:

- Telephone: 0207 397 2586
- Email: clientservices@reyker.com
- Post: Reyker Securities plc (in special administration), c/o RRS, S&W Partners LLP, 45 Gresham Street, London, EC2V 7BG.

4. The JSAs' Objectives and Proposals

As outlined in the JSAs' previous progress reports, the JSAs have three Objectives which are set out in the Regulations, being:

1. Objective 1 - To ensure the return of Client Assets as soon as is reasonably practicable;
2. Objective 2 - To ensure timely engagement with market infrastructure bodies and the Authorities; and
3. Objective 3 - To either, (i) rescue the investment bank as a going concern, or (ii) wind it up in the best interests of the creditors.

The JSAs are continuing to pursue the three objectives, being 1, 2 and 3(ii) in parallel.

On 25 November 2019, the JSAs made available 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 16 December 2019 and Clients and Creditors approved the Proposals without modification and passed a resolution to form the Creditors' Committee.

There have been no amendments to, or deviations from, the JSAs' Proposals during the Special Administration to date.

5. Progress of the special administration

This section provides Clients and Creditors with an update on how the JSAs have been pursuing their strategy with a view to achieving the three Objectives and the progress made to 7 April 2025.

5.1 Return of Custody Assets and CAI (Objective 1)

During the report period, the JSAs have continued to return Custody Assets and CAI where possible.

5.1.1 Transfers and Distributions of Custody Assets to the Nominated Brokers

Following the approval of the Distribution Plan, in January 2021 the JSAs commenced the Transfer of Custody Assets and CAI to the five Nominated Brokers, being James Brearley, Thompson Taraz, Logic, Kin Capital and Pershing. Whilst the Transfers to James Brearley, Thompson Taraz, Kin Capital and Pershing are complete, there remain a small number of Custody Assets that have yet to be transferred to Logic.

Some Clients either opted out of the Transfer or, alternatively, they had no Nominated Broker (mainly CTF and IF ISA Clients). The Distribution process required these Clients to nominate their own choice of broker. The JSAs commenced these Distributions in June 2021.

During the period, the JSAs have continued to process the remaining Transfers and Distributions of transferrable Custody Assets and CAI to the five Nominated Brokers or to Clients' own choice of alternative broker. At present the JSAs only hold 79 Custody Assets that they consider are transferrable for 134 Clients.

Key developments within the period included (but not limited to):

- The JSAs have continued to seek instructions from Clients whose Custody Assets may be liquidated so the proceeds of sale can be transferred.
- The JSAs have also instructed or completed the Transfer or Distribution of some Custody Assets to new brokers.

There remains a relatively low number of Clients with transferrable Custody Assets held at Reyker, which can be grouped as follows:

Group	Status 7 April 2025		Previous report	
	No. of Clients	No. of Custody Assets	No. of Clients	No. of Custody Assets
Clients with CTF accounts who haven't provided instructions	78	40	82	47
Clients who haven't settled their share of costs	5	4	6	5
Custody Assets with transfer challenges/further broker details are required	29	21	28	40
Clients with IF ISA investments that are not presently transferable	22	14	22	14
Total	134	79	138	106
<i>Transfer / liquidation of Custody Assets in progress</i>	5	5	na	na

- 78 Clients with CTF accounts have not yet provided either details of a new broker to which their Custody Assets should be transferred or, alternatively, instructed the JSAs to liquidate their Custody Assets (where the beneficiary is older than 18 years old);
- 5 Clients who have Custody Assets have yet to settle their share of costs relating to the return of their Custody Assets, which may be eligible for compensation from the FSCS. The JSAs await these Clients instructions, and confirmation that they have settled their share of costs or successfully applied to the FSCS for compensation;
- Reyker holds 21 Custody Assets for 29 Clients that are difficult to transfer as the asset issuer has not accepted the JSAs' instructions for transfer, including where the JSAs are awaiting further instructions from the Client. These are likely to be classified Non-Returnable if the issuer continues to take that position (see section 4.1.3); and

- Reyker holds 14 Custody Assets, all being bonds in Holmes Investment Properties Plc or Astute Property Acquisitions Corporation Limited for 22 Clients. At present it's not possible to instruct a transfer of these bonds.

Our work during the period has also focussed on trying to progress these outstanding matters to a conclusion. This has included proactive attempts to contact Clients with Custody Assets by email, post and telephone to encourage them to take the additional required action. This may be providing their choice of broker or liquidating Custody Assets, where possible, so the value of Clients' investments can be returned to them.

The JSAs welcome instructions from any Clients who have Custody Assets remaining at Reyker which may be liquidated (sold) so they can receive back the value of their investments. If Clients have any doubt about whether investments can be liquidated or have not yet provided instructions they are strongly urged to contact client services on 0207 397 2586 or, alternatively, by email at clientservices@reyker.com. We recommend that Clients take their own independent financial advice before making any decisions, as there may be tax implications from certain actions.

5.1.2 Transfers and Distributions of CAI

CAI includes dividends, coupon payments or mandatory 'kick-out' redemptions derived from Custody Assets. Such cash receipts must be segregated from the CMP (in accordance with CASS) and, where possible, is allocated to the respective Client's plan. The process by which CAI is currently being returned to Clients by the JSAs is the same as for Custody Assets, as set out in the Distribution Plan.

A small amount of CAI continues to be received by the JSAs in respect of Custody Assets that have not yet been Transferred or Distributed, including the proceeds from Custody Assets that have been liquidated following instructions from the Client. The rate at which CAI is received by the Company has steadily decreased as Transfers and Distributions of Custody Assets complete.

The receipts and payments account at **Appendix II** confirms that, during the report period, the amount of CAI that was received was approximately £27.5k across two currencies, and the JSAs successfully distributed approximately £27.2k.

The JSAs would highlight:

- Since the start of the Special Administration, the JSAs have received and Transferred or Distributed £63.1 million of CAI across eight currencies;
- The JSAs are currently holding approximately £32k of CAI for 73 Clients. Most of these Clients have yet to provide details of where their CAI should be transferred and the remaining CAI will be transferred to Clients' new brokers when their Custody Assets are transferred; and
- Where Custody Assets have matured and converted to CAI, the cash will remain subject to the original (i) Transfer to the respective Nominated Broker or (ii) Distribution instructions provided by the Client.

Clients who have not yet provided instructions are strongly urged to contact client services on 0207 397 2586 or, alternatively, by email at clientservices@reyker.com.

5.1.3 Non-Returnable Client Assets (including Argento loan notes)

Non-Returnable Client Assets are securities which the JSAs have determined cannot be Transferred or otherwise Distributed for legal or practical reasons. For example, these may relate to securities that have been delisted from a public stock exchange or companies that may be subject to an insolvency process or dissolved. These assets were marked as Non-Returnable Client Assets on the respective Clients' CARS (subject to the stock being identified as Non-Returnable prior to the CARS being issued).

The JSAs currently hold approximately 161 different Non-Returnable Client Assets for circa 760 Clients. A list of the Non-Returnable Client Assets, together with a brief explanation as to why they are classified as such, is available on the Website.

The JSAs are continuing to monitor the status of each stock line recorded on www.reykeradmin.com to ensure that stocks that cannot be transferred have been correctly recorded as Non-Returnable. The number of Non-Returnable Client Assets may, therefore, increase over time.

As previously mentioned, a notable group of Custody Assets that have been categorised as Non Returnable Client Assets are loan notes issued by Argento. The JSAs continue to issue demands to Argento for payment of outstanding amounts due in relation to these loan notes held by Reyker and to work closely with Luxembourg solicitors on what further steps are possible to recover any value for these investments or, alternatively, enable the transfer of these Custody Assets to Clients.

In the period, the legal writ of summons and associated documents necessary to place Argento into bankruptcy have been prepared and agreed together with engaging the bailiff. Immediately prior to issue, we learned that Argento had been placed into bankruptcy

by the tax authorities. We notified the receiver (the Luxembourg official that oversees a corporate bankruptcy) of our claims and requested a call to discuss and agree the next steps around investigations and asset recoveries. However, before such a call could take place, we were informed that Argento had appointed new legal counsel and was appealing the bankruptcy. Despite our representations to the court, resisting the reversal of the bankruptcy, the judge considered representations made to it by Argento's legal counsel to be persuasive and the bankruptcy was annulled.

As a result we have refreshed the Company's writ of summons and the documents were sent to the bailiff for service on 17 April 2025. We are informed that the earliest possible hearing date is 16 May 2025 and we will update the Clients holding these loan notes of the progress made in this regard as soon as possible and all Clients and creditors in our next report.

For the avoidance of doubt, should any liquidation payment be received in relation to any Non-Returnable Custody Assets this will be accounted for and passed onto the underlying Client in accordance with the Distribution Plan.

5.2 Distribution of Client Money (Objective 1)

In line with the request of the Creditors' Committee, the JSAs undertook a separate distribution of Client Money (being cash held for Clients as at 8 October 2019 and collectively known as the CMP) under the FCA's Client Money Distribution and Transfer Rules (as set out in CASS 7A) which, unlike the Distribution Plan for Custody Assets, was not subject to Court approval (and the associated additional requirements and time).

Following completion of the JSAs' Reconciliation and Soft Bar Date process, the total sterling value of the CMP at the date of appointment was approximately £57.6 million which was held for 9,192 Clients across 11,842 client plans.

5.2.1 Third and final distribution

During Summer 2023, a third and final distribution of Client Money was declared and paid to the majority of FSCS Protected Claimants (who had submitted a claim and valid CMIF) in advance of a Hard Bar Date. This resulted in the distribution of a further £1.3 million from the CMP.

Over the last six months, the JSAs have continued to process further distributions of Client Money as and when the requisite action has been completed by either the respective Client or receiving broker.

The table below provides a summary of the percentage of the CMP by value that has now been distributed or, alternatively, remains under the JSAs' control pending further Client action.

Category	CMP value		Previous report	
	£'000	%	£'000	%
Completed distributions	56,206	97.55	56,105	97.37
In progress distributions	109	0.19	28	0.05
Funds retained from distributions	618	1.07	618	1.08
Unclaimed	654	1.13	827	1.43
Claimed but no instructions	31	0.05	40	0.07
TOTAL	57,618	100.00	57,618	100.00

The JSAs would highlight:

- Circa £56.21 million of Client Money has been distributed to Clients (previously £56.11 million), being more than 97% of the total CMP value (with circa £100k being distributed in this report period);
- Of the 9,192 Clients who held Client Money, 8,088 Clients (88%) have now received their respective share of Client Money in full, without deduction for costs as a result of the FSCS compensation and funding arrangements under the FSCS Compensation Deed (previously 8,043 Clients);
- There are 751 Clients (previously 774) that have not yet submitted a Claim to Client Money representing, according to Company records, circa £654k of the CMP (previously £826k). It is worth noting here that the percentage of Clients who

are yet to submit a claim is higher by number of total Clients (circa 8%) than by value of the CMP (circa 1%) as the unclaimed balances are often very small amounts. More than half of these Clients have a claim of £25 or less.

- The JSAs have not been able to process all the instructions received to date due to the reasons set out in previous progress reports (such as Clients needing to verify their designated bank account or take further action to complete a distribution to their designated broker);
- It remains necessary to retain circa £618k of the CMP (for approximately 35 Clients) until such time that a Hard Bar Date is set and passed and the CMP has been closed to new or increased claims on account of the respective Clients not being FSCS Protected Claimants or, alternatively, FSCS Protected Claimants whose respective share of costs exceed the compensation limit; and
- The JSAs still require distribution instructions to be submitted for circa £31k of the CMP (previously £40k) which is held by 245 Clients (previously 269) who have submitted a claim but not a CMIF.

During the period, the amount of unclaimed Client Money was reduced by circa £173k. This is largely due to our ongoing (but proportionate) tracing efforts to reunite Clients with their assets. For example, we recently undertook online searches of the government's probate records for any Client who had an unclaimed Client Money balance greater than £100. This returned 39 positive matches with contact details for the respective executor(s). We have therefore been able to write to the executor(s) of the respective Clients' estate which resulted in claims being received for a further 15 Clients whose claims totalled £149k of the CMP.

The JSAs, their staff and the client services team will continue to liaise with Clients, brokers and/or executors who either provide additional information or, alternatively, take further action for Client Money distribution(s) to be completed. Clients should note that, as we are towards the end of the Client Money distribution process, with more than 97% of the CMP having been returned to Clients, progress in future reporting periods by value of the CMP will appear relatively low when compared to earlier periods.

5.2.2 Non FSCS Protected Claimants

As previously reported, Clients that are either not FSCS Protected Claimants or, alternatively, FSCS Protected Claimants whose respective share of costs exceed the compensation limit could not receive any further Client Money as part of the third and final distribution as the sums previously retained from prior distributions are required to meet the respective Clients' share of the estimated distribution costs. There has been no change to this position during the report period.

Notwithstanding this, the JSAs still anticipate a small and final balance of Client Money may be paid to such Clients once the CMP has been closed to all claims and the total cost of the Client Money distribution finalised; particularly in circumstances where any unclaimed Client Money by the Hard Bar Date may be applied against such costs.

5.2.3 Closing the CMP

We have previously reported that:

- Under the Client Money Rules ("CMR") and the Regulations the JSAs can close the CMP to further, new or increased Client claims. The CMR and Regulations are drafted in anticipation of the CMP being closed to claims prior to settling final costs and returning the residual balance of Client Money; this is intended to protect all participating Clients, the Company and the JSAs;
- Following legal advice, the JSAs consider the most effective way to do this is by way of an application to Court to set a Hard Bar Date, being a final date by which any claims to Client Money must be made by any party. After the Hard Bar Date, the CMP would be closed to all new or increased claims and the JSAs should be able to distribute the remaining Client Money claimed by Clients, including Non FSCS Protected Claimants (after deduction of their respective share of the final distribution costs); and
- In order for the Court to make a Hard Bar Date order, (i) it needs to be satisfied that the JSAs have taken all reasonable measures to identify and contact persons who may be entitled to the return of Client Money and (ii) it needs to consider that if a Hard Bar Date is set there is no reasonable prospect that the JSAs will receive claims for the return of Client Money after that date". These tests set a very high legal threshold.

The JSAs have been keen to close the CMP as early as possible, however, we received an average of circa four new claims to Client Money per month during the report period. This is an increase on claims received in more recent, prior periods (where claims averaged circa one per month), however, this is largely due to the recent probate searches (referenced above) and successfully sourcing contact details for estate executors. Accordingly, given the Hard Bar Date threshold, the JSAs do not consider that an application for a Hard Bar Date is appropriate at this time.

Alongside the current run rate of claims received, a judge may also query the need for a Hard Bar Date at this time when the Special Administration remains open because the JSAs are still working through the return of the more challenging Custody Assets (such as the Argento loan notes) and are not currently able to close the special administration and vacate office.

The JSAs consider that, given the advanced stages of both the Client Money and Custody Asset Transfer and Distribution process, an application to Court for a Custody Asset Hard Bar Date and Client Money Hard Bar Date may be made at the same time. As referenced in our last report, the respective merits of a joint application will remain under regular review by the JSAs and their legal advisors. The JSAs remain mindful that Non-FSCS Protected Claimants are not able to receive any further distributions of Client Money until such time a Client Money Hard Bar Date has been set and passed.

5.2.4 Required Client action

Clients who are yet to submit a claim to Client Money and/or their CMIF or, alternatively, still need to update a previously submitted 'hold' instruction (dating back to 2020) should either log on to the Portal or contact client services as soon as possible to provide their instructions.

Additional information as to how to access the Portal and submit your CMIF is available on the Website.

Should you have any queries, please contact Client Services on 0207 397 2586 or by email at clientservices@reyker.com.

Please note, Clients that are yet to submit their claim to Client Money are encouraged to urgently engage with the process, even if they consider their Client Money balance to be relatively small, as the JSAs intend, in due course, on making an application to court to set a Hard Bar Date, after which Clients who have not submitted their claim will lose their rights to claim Client Money in the CMP.

5.3 Operations (Objective 1)

5.3.1 Maintaining critical operations and monitoring costs

The JSAs continue to maintain all critical operations required to achieve the maintenance and return of Client Assets as expediently as possible whilst monitoring and reducing the associated cost base where possible.

For much of the report period, there was no change to the number of employees and third-party contractors retained by the JSAs, however, the contract for one of the third-party contractors was concluded with effect from 28 February 2025 given the advanced stage of the Special Administration and reducing workload for both safe custody and client services. This leaves one, full time employee and one, part-time third-party contractor assisting the JSAs and their staff.

5.3.2 Sanctions checking

Due to the current political situation and the changing list of persons or entities subject to sanctions by the UK, EU or USA, the JSAs must check any beneficiary of a payment or Transfer or Distribution of Client Assets against the current sanctions list within 24 hours of executing the Transfer or Distribution. The JSAs are utilising a third-party commercial operator for the process of sanction checking.

5.4 Communications (Objective 1)

5.4.1 Communications with Clients & intermediaries

During the reporting period, the JSAs have continued to liaise with Clients and intermediaries (such as Investment Managers and IFAs) by a range of different methods. This has included issuing communications by post or email, operating the Website and maintaining a dedicated email address and telephone line for Client queries.

This work has included (but not limited to) assisting:

- Clients who were still required to nominate their own choice of broker to receive Custody Assets and CAI and had not yet done so;
- Clients who only have a CAI balance and were still required to provide bank details;
- Clients that have a Child Trust Fund and are waiting to reach 18 years old so that they may access their account without parental or guardian engagement;
- Clients who have a nominated a broker that is unable to accept the Custody Assets held on their behalf and requesting them to provide details of an alternative broker;

- Liaising with Clients who may prefer for their Custody Assets to be liquidated (following recent modifications to the Distribution Plan); and
- Searching probate records for any Clients with unclaimed Client Money of more than £100 to try and identify whether any had passed since the beginning of the Special Administration and the respective executor(s)' or next of kin(s)' contact details.

This work, in addition to general Client queries, meant the client services team (assisted by the JSAs' staff):

- completed over 500 inbound and outbound calls with Clients; and
- reviewed and responded (where necessary) to more than 800 emails from Clients or their receiving brokers.

The dedicated Website has continued to be updated on a periodic basis, as and when there are significant developments to report. The Website has been visited circa 1,500 times during the report period (and more than 38,000 times since the start of the Special Administration).

The JSAs would remind Clients to remain vigilant and to exercise caution when dealing with correspondence regarding the Special Administration of the Company. If you are in any doubt regarding the authenticity of any correspondence you may receive, please do not hesitate to contact client services at clientservices@reyker.com or on 0207 397 2586.

5.4.2 Client Claim Portal and Client data

The Portal and reykeradmin.com (the bespoke, cloud-based software platform developed by the JSAs during the Special Administration) continues to be maintained to collate, record and process Client instructions.

Additional programming and development requirements during the period were much reduced and, accordingly, there has been less expenditure to our two main contracted IT suppliers. Work in the period included (but was not limited to):

- Renewal of domains and requisite certificates to ensure ongoing functionality and security of both the external Client Claim Portal and the internal reykeradmin.com database;
- Development of safe custody workflows within reykeradmin.com to ensure Client Money and CAI continue to be correctly segregated, reconciled and allocated to Client ledgers;
- Further review and consolidation of data within the back-end of reykeradmin.com and limiting the number of services (and therefore the cost) being utilised within Microsoft Azure (insofar as possible); and
- Periodic testing of robustness and usability of back up data (including source code) saved to third party provider as part of the JSAs' disaster recovery planning.

Such work has been undertaken with a view to future time and cost savings and preserving data integrity and security.

All Client data continues to be held in accordance with relevant data protection regulations within secure, cloud-based systems and, where appropriate, shared with the FSCS to facilitate the increasing volume of information requests being received in respect of alleged mis-selling and negligence claims (which are dealt with separately to Clients' claims regarding the cost of returning Client Assets but subject to the same compensation limit of £85,000 per FSCS Protected Claimant).

5.4.3 Liaising with the Creditors' Committee

The JSAs continue to liaise with the Creditors' Committee members on a regular basis. The last formal meeting of the Committee was on 26 September 2024, however, a written update was sent on 5 November 2024.

The Creditors' Committee continues to have four members, which remains compliant with the Regulations.

5.4.4 FSCS eligibility reviews

The JSAs have continued to work closely with the FSCS to ensure that as many eligible Clients as possible receive compensation and that their share of costs relating to the Transfer or Distribution of Client Assets will be paid direct to the JSAs (under the FSCS compensation deed) without the need for Clients to submit a claim to the FSCS themselves.

Such a process means that, for more than 99% of Clients:

- their Custody Assets have or will Transfer to a Nominated Broker (or be Distributed to a broker of their own choosing) in whole and without the need for the JSAs to liquidate their holdings to meet their Share of Costs; and
- their Client Money will be returned in full and without deduction for their respective share of the costs of distributing the CMP.

The above is subject to an FSCS Protected Claimant's total claim for compensation not exceeding £85,000.

5.4.5 Data Subject Access Requests ("DSARs")

During the report period, the JSAs have received and responded to a further 27 DSARs. The JSAs have complied with the relevant legislation and addressed each DSAR that has been received in a timely manner.

The DSARs principally relate to matters occurring prior to the Special Administration and are commonly from claims management companies or intermediary solicitors engaged on behalf of the respective Clients. There have been no claims made against the Company from the information provided in response to these DSARs.

5.4.6 Tax certificates and transfer forms

During the reporting period, the JSAs continued to issue tax certificates (where specifically requested by Clients or their Investment Managers) and transfer forms in respect of the Transfer and Distribution of Custody Assets and Client Money to new brokers.

5.5 Objective 2 – Engagement with market infrastructure bodies and the Authorities

5.5.1 Financial Conduct Authority

The JSAs continue to liaise with the FCA in relation to Client positions, regulatory compliance matters, the Transfer and Distribution of Custody Assets, the Client Money distribution, statutory reporting requirements, ongoing investigations, Client communications and the overall strategy for achieving the Objectives and bringing the special administration to an end. The Company remains an FCA authorised entity and, where still required, is compliant with its regulatory requirements.

5.5.2 Financial Services Compensation Scheme

The JSAs continue to work closely with the FSCS to ensure that Clients' interests are protected and to assist the FSCS where appropriate. Further detail is provided in section 4.4.4 above.

Other, Objective 1, matters which the JSAs are liaising with the FSCS about include:

- i. Client positions and progress on the agreement and submission of claims to Client Assets;
- ii. Progress with regard to the Transfer of Custody Assets to the Nominated Brokers and Distributions for those Clients that either opted out or did not have a Nominated Broker for their investments (including CTF Clients);
- iii. Progress with regard to problematic and difficult to Transfer Custody Assets, such as the Argento loan notes;
- iv. Progress of the Client Money distribution and the JSAs' strategy for closing the CMP;
- v. Funding under the FSCS Compensation Deed;
- vi. Negligence, mis-selling and other claims asserted by Clients and responding to the FSCS' requests for further information regarding Client positions and the nature of services provided (with 178 requests in this report period); and
- vii. Committee matters.

5.6 Objective 3 – Rescue the investment bank as a going concern or wind it up in the interests of its creditors

As a result of the Company's indebtedness, it was not possible to rescue the Company as a going concern and the JSAs have focussed on winding up the Company's affairs in the best interests of its Clients and Creditors.

During the report period, the JSAs have:

- i. Monitored the requirement for the remaining employee whilst complying with employment law;
- ii. Managed the exit of the remaining full-time consultant, retained via an agency agreement;
- iii. Regularly assessed the requirement for various IT systems and suppliers and cancelled services where possible;
- iv. Complied with statutory reporting requirements;
- v. Maintained relevant insurance policies for the business, its employee, the public and the Company's House Assets;
- vi. Further to the assignment of the Company's claims against third parties, assisted the assignee with the pursuit and enforcement of such claims where appropriate; and
- vii. Continued to realise House Assets (see section 6).

In addition to the above, we previously reported that the Company was named as one of three Respondents in an Unfair Prejudice Petition application relating to matters occurring prior to the Special Administration. It is not appropriate to provide any further details of the claim, its merits, prospects, or the Company's response in this report save that dealing with the matter will incur additional time costs but the JSAs consider it likely that any award made against the Company (should any award be made) would be an unsecured claim and would not disrupt the transfer or distribution of Client Assets.

Clients and Creditors are reminded that the orderly winding down of the Company will be undertaken by way of a phased series of events and will not be completed until such time that Objective 1 has been achieved. This is because until such time that all possible Client Assets have been returned, the Company's operations critical to the achievement of Objective 1 need to remain in place and, therefore, the Company cannot yet be liquidated or dissolved.

5.7 Concluding the special administration

During the report period, the JSAs have continued to consider the overall strategy and potential timeframe for concluding the Special Administration and this has included consulting with their legal advisors, the FCA, FSCS and the Official Receiver and members of the Creditors' Committee in this regard.

The JSAs previously reported that it may be possible to conclude the Special Administration in 2025 (as stated in our last progress report), however, given recent delay and developments regarding the Argento loan notes, the processes required to conclude the Special Administration (such as the Hard Bar Date applications for both Client Money and Custody Assets to Court) will be delayed due to court applications and hearings; meaning it is likely the Special Administration will not be concluded until 2026. This timescale remains subject to progress in the recovery (or assignment) of the Argento assets and the Court's discretion when considering any Hard Bar Date application(s).

As previously reported, concluding the Special Administration is contingent on a number of factors including, very significantly, Client behaviours and the nature of Custody Assets which mean that they are time consuming or challenging, if not impossible, to return, i.e. Non-Returnable Client Assets.

The JSAs have continued to liaise with their legal advisors, the FSCS and the FCA to ensure that the Custody Asset and Client Money strategies represent the best and most proportionate outcome for all stakeholders.

5.7.1 Custody Assets

In addition to the Argento loan notes, there are other Custody Assets that have been deemed Non-Returnable. This is generally due to an insolvency event in relation to the investment asset, for example shares in a company that has entered liquidation. Such Custody Assets continue to be notionally held by Reyker, although they may be deemed valueless. The JSAs also anticipate that some Clients may never provide details of a new broker to which their Custody Assets should be distributed.

Once the JSAs consider that it is not possible to Transfer or Distribute any further Custody Assets to new brokers, they anticipate issuing a long stop notice under the Distribution Plan and/or applying to Court for a Hard Bar Date.

5.7.2 Client Money

It remains the intention of the JSAs to apply to Court for a Hard Bar Date once they consider they can satisfy the Court that there is no reasonable prospect of any future claims to Client Money being received.

As part of the process of closing the CMP, the JSAs presently anticipate requesting any required consents or orders from the Court and the FCA that:

- any unclaimed Client Money in the CMP at the Hard Bar Date be applied towards the costs of returning Client Money with a view to reducing the overall costs borne by the FSCS and any Clients that are not FSCS Protected Claimants; and
- any Client Money that has been claimed by Clients or CAI, where the distribution of such funds has not been possible by the time the JSAs are in a position to vacate office (e.g. due to a CMIF not being returned or unverified bank details) be passed to the unclaimed dividends department of The Insolvency Service (a government body which will safeguard such money until such time that the respective Client engages).

The above strategy would see FSCS Protected Claimants receive 100% of their Client Money (subject to their respective share of costs for both Client Money and Custody Assets not exceeding £85,000) and all funds held within the CMP accounted for. This strategy remains subject to the consent of the Court and the FCA and requires the co-operation of other counterparties and alternative strategies remain under consideration.

6. House Assets

This section provides an update on House Asset realisations for the benefit of Creditors during the period of this report.

House Assets are those owned by the Company as opposed to those held on trust for its Clients. Such work constitutes pursuing Objective 3 of a special administration.

6.1 Investments

Our earlier reports confirmed that the Company held investments at the date of our appointment with a book value of £176,031. These investments principally related to its subsidiary undertakings which, in the majority of cases, were dormant and had no realisable value.

The Company did, however, hold additional investments by way of Custody Assets. During the Special Administration these have either matured or generated CAI.

During the report period, a further £9,695 has been received in respect of CAI generated from such investments and maturities, bringing total realisations to £107,467.

6.2 Credit interest

During the reporting period gross bank interest of £18,140 was received; being interest accrued on funds held within the House estate and on Client Money balances. In accordance with standard practice dating prior to the Special Administration and the Company's terms of business, interest accrued upon Client Money is an asset of the Company and deposited to an account held in its own name (as opposed to Client accounts). Gross credit interest received to the House estate during the Special Administration now totals £129,030.

6.3 Claims against third parties

Further to the assignment of claims against third parties, the JSAs continue to assist the assignee with the pursuit and enforcement of such claims where appropriate. The House estate is due to receive deferred consideration (in addition to the £25,000 already received) based on net realisations. These will be reported to creditors as they are realised.

6.4 Other Assets

Save for the above assets, the JSAs do not envisage any additional realisations regarding any other House Assets.

Please refer to previous reports and the JSAs' receipts and payments account at **Appendix II** for further information.

7. Receipts and payments

Attached at **Appendix II** is the JSAs' receipts and payments account covering the six-month reporting period, being from 8 October 2024 to 7 April 2025 and the cumulative total for the Special Administration.

The summary separates out the receipts and payments in respect of the House Accounts (being the estate for the benefit of Creditors) and Objective 1 operation accounts (which are used to defray the costs associated with returning Client Assets), which includes the segregated FSCS Trust Account for funds being advanced under the FSCS Compensation Deed.

The JSAs also enclose a separate receipts and payments account in respect of the Client Money balances held in the CMP and Post-Pooling Accounts. Any CAI received following the JSAs' appointment is segregated in the Post-Pooling Accounts.

The summaries are largely self-explanatory, however, the JSAs would comment in respect of the most significant receipts and payments as follows:

7.1 Receipts

7.1.1 Objective 1 – FSCS Trust Account

During the reporting period, a further £1.7 million was drawn down under the FSCS Compensation Deed to defray the associated costs of pursuing Objective 1 as they fall due. At the end of the report period, there remains a balance to hand of circa £981k and the total amount drawn under the Deed is £22.8 million.

7.1.2 Objective 1 - Share of Costs Collection Account (Custody Assets)

The JSAs did not realise any further contributions from Clients who are not FSCS Protected Claimants and still to pay their Share of Costs for returning Custody Assets. The total Share of Costs received from non FSCS Protected Claimants to date remains £45,000.

These funds have been segregated from the FSCS Trust Account and will be allocated towards the final costs of returning Custody Assets in due course.

7.1.3 Objective 1 – Argento Legal Fees Contributions

During the period £3,788 has been received from Clients who hold Argento loan notes as contributions to the estimated legal fees that are to be incurred in taking legal action against Argento with a view to realising value from this security. This means total receipts received in respect of the estimated legal fees for acting against the issuer is now £110,928. These receipts continue to be segregated in the Argento Legal Costs Collection Account and will solely be used for legal costs in respect of resolving the present impasse with the issuer. The legal fees incurred in respect of this matter and paid to date from this fund are £48,852 (previously £46,353).

7.1.4 House Accounts

House realisations totalled £27,938 during the period. Details regarding the more significant realisations are included at section 6.

7.1.5 CMP and Post Pooling Accounts

The JSAs continue to segregate any CAI in the requisite Post Pooling Accounts. The Client Money receipts and payments account at **Appendix II** confirms the amount of CAI received during the report period and the amounts of Client Money and CAI returned for each currency.

7.2 Payments

7.2.1 Objective 1 – FSCS Trust Account

In pursuing Objective 1, it has been necessary to maintain critical operations to assist with the Transfer and Distribution of Custody Assets. Such expenses are defrayed from advances of compensation due to FSCS Protected Claimants under the FSCS Compensation Deed.

Key payments made during the reporting period from the segregated FSCS Trust Account include:

- Agent fees totalling £39,318 plus VAT (down from £55,148), which principally relate to specialist contractors engaged to assist with the pursuit of Objective 1 (further detail in section 10.1);
- Staff costs totalling £43,643 (previously £41,360), including net salaries, PAYE & NIC and pension contributions. Additional staff benefits and expenses have also been paid in the sum of £988;
- IT supplier fees totalling £13,413 (previously £20,341), including payments to Manresa (contracted developer) and Fusion (outsourced IT data and maintenance provider);
- Custody fees of £7,511 (previously £15,017) to the custodians who continue to hold Custody Assets for the benefit of the Company's Clients until such time that they can be Transferred or Distributed. This included payments to CACEIS (formerly Kas Bank) and Aegon Co-funds whose services are required to hold and settle share Transfers and Distributions electronically. Please note, this is lower than in prior periods as CACEIS have not yet invoiced for all charges incurred in the period;
- Necessary statutory costs totalling £18,925 (previously £16,469) in respect of outsourced printing and postage for mass Client communications. This principally relates to the largescale circular to all Clients providing notice of the preceding progress report being available on the Website or, alternatively, upon request from client services;
- Irrecoverable VAT of £211,714 (previously £8,926). The Company is not VAT registered and so VAT paid on the necessary costs of the Special Administration cannot be recovered.

Further detail in respect of the JSAs' own fees and their agents and advisors is included in sections 9 and 10 below.

7.2.2 House Accounts

There were no payments during the reporting period from the House estate.

7.2.3 CMP and Post Pooling Accounts

During the report period, the JSAs continued to process Client Money distributions as well as completing further Transfers and Distributions of CAI to the Nominated Brokers and those designated by opt-out Clients and Clients without a Nominated Broker respectively.

Although dividends, coupon payments or mandatory 'kick-out' redemptions should now be paid by the paying entity to the new broker (e.g. James Brearley) following any Transfer or Distribution of Custody Assets, the Special Administration will continue to receive CAI in respect of Custody Assets that continue to be held by the Company on trust for Clients or, perhaps, where a dividend or redemption was declared shortly prior to the respective asset being registered in the name of the new nominee entity.

The JSAs continue to undertake sweeps of CAI to the Nominated Brokers on a periodic basis. CAI due to be distributed elsewhere (i.e. other than to the Nominated Brokers) will be distributed simultaneously with Custody Assets to the same new Client designated broker through the Distribution process or by occasional sweeps if the funds were received after the Transfer or Distribution of Custody Assets or otherwise as soon as possible.

The Client Money receipts and payments account at **Appendix II** confirms that, during the report period:

- Approximately £100k of Client Money was distributed from the CMP (across two currencies); and
- Circa £27k of CAI was Transferred or Distributed from the segregated post-pooling accounts.

8. Estimated outcome for Clients and Creditors

8.1 Clients

The Distribution Plan sets out the basis and methodology for allocating the costs incurred by the JSAs in pursuing Objective 1 for Custody Assets. The Distribution Plan estimates that Clients will be charged a fixed fee of no more than £2,500 in respect of the Transfer of their Custody Assets, however, this will be capped to the lower of the fixed fee or the value of a Client's Custody Assets as at 8 October 2019.

Costs for dealing with the CMP will be levied proportionately as a percentage of each Client's Client Money balance. As previously reported, it is anticipated such costs will be up to 12% of the CMP, however, this remains subject to Client behaviours.

Whilst these costs may be deducted from the respective Client Assets in accordance with the Regulations and CASS, more than 99% of Clients qualify for FSCS compensation and, therefore, other than a very small number of exceptions, **Clients will not have to meet these costs (as they will be settled by the FSCS) and will receive a full return in respect of their Custody Assets and Client Money.**

8.2 Secured creditors

The Company granted security conferring both fixed and floating charges to NatWest on 4 April 2016. NatWest has submitted claims against the Company totalling £8,876.

Given the limited House Asset realisations and the level of costs incurred in relation to Objective 2 and Objective 3 matters, the JSAs consider it is unlikely a distribution will be paid to the secured creditor.

8.3 Preferential creditors

The only categories of claims with preferential status in the Special Administration are those in relation to employee entitlements for arrears of salary (up to £800) and any accrued but unpaid holiday entitlements. Such claims are first met and paid (up to certain statutory limits) by the RPS, a government department within the Department for Business, Energy and Industrial Strategy, who will then have a subrogated preferential claim in the Special Administration.

Given the level of costs incurred in relation to Objective 2 and Objective 3 matters, the JSAs consider it is unlikely a distribution will be paid to preferential creditors.

8.4 Unsecured creditors

Unsecured creditor claims are broadly split into three categories:

1. Client shortfall claims, which arise from any shortfall of Client Money or Custody Assets;
2. Client claims in respect of breach of contract, negligence or mis-selling; and
3. Ordinary unsecured creditors, which include the claims of trade creditors, HMRC and employees' non-preferential claims (to include the subrogated claim of the RPS and any employees with residual unsecured claims).

The Company's Clients (as per categories one and two above) may have recourse to claim compensation for any shortfall in Client Assets or breach of contract or negligence through the FSCS subject to eligibility and the overall statutory limit of £85,000 per claimant. The FSCS will, however, be entitled to submit a subrogated unsecured claim in respect of any compensation paid to the Clients in respect of these claims.

The JSAs' Proposals estimated that claims arising in respect of ordinary unsecured creditors (as per category three above) will total approximately £1.2 million. To date, claims received from Creditors total c.£1.1 million.

The JSAs have not undertaken the adjudication of unsecured creditor claims because, given the limited realisations from House Assets and the level of costs incurred in relation to Objective 2 and Objective 3 matters, the JSAs consider it is very unlikely a distribution will be paid to unsecured creditors.

8.5 The Prescribed Part

The Regulations and Rules provide that, where a company has granted a floating charge either on or after 15 September 2003, there is a provision for a share of the Company's net property to be set aside for distribution to unsecured creditors in priority to the floating charge holder. These funds are referred to as the Prescribed Part.

Given the level of costs incurred in relation to Objective 2 and Objective 3 matters, the JSAs consider it is very unlikely there will be a Prescribed Part distribution to unsecured creditors.

9. The JSAs' remuneration

9.1 Bases for fixing the JSAs' remuneration

The JSAs are entitled to receive remuneration for services given in respect of:

- Objective 1, which will be paid out of Client Assets (subject to FSCS compensation not being received in respect of a respective Client's Share of the Costs); and
- Objective 2 and Objective 3, which will ordinarily be paid out of the Company's House Assets.

The Creditors' Committee approved that the basis of the JSAs' remuneration in pursuit of Objectives 1, 2 and 3 be fixed by reference to the time properly given by the JSAs and their staff in attending to matters arising in the Special Administration by way of resolution on 20 April 2020.

9.2 The JSAs' time costs to 7 April 2025

The JSAs' total time costs, broken down by each reporting period, are as follows:

Period	Total hours hrs	Total costs £	Average hourly rate £/hr	Fees drawn £
8 October 2019 to 7 April 2020	3,890	1,688,609	434	-
8 April 2020 to 7 October 2020	4,084	1,816,337	445	249,432
8 October 2020 to 7 April 2021	3,374	1,657,004	491	2,891,411
8 April 2021 to 7 October 2021	2,428	1,207,172	431	2,145,118
8 October 2021 to 7 April 2022	2,931	1,369,338	467	224,370
8 April 2022 to 7 October 2022	1,906	905,030	475	752,009
8 October 2022 to 7 April 2023	1,385	806,754	582	2,205,456

8 April 2023 to 7 October 2023	1,132	679,778	600	774,968
8 October 2023 to 7 April 2024	888	583,892	658	647,855
8 April 2024 to 7 October 2024	711	490,456	690	Nil
8 October 2024 to 7 April 2025	566	373,185	659	984,603
TOTAL	23,295	11,577,556	497	10,875,222

During the report period, the JSAs have incurred time costs of £373,185 (which includes costs of dealing with Client Money, Custody Assets and House Assets) which represents 566 hours at an average charge out rate of £659 per hour.

Appendix III provides a detailed analysis of the JSAs' time costs incurred during the reporting period by reference to the grade of staff used and work done. The information is provided in accordance with SIP 9. A detailed narrative of the tasks undertaken in respect of each work activity is also set out within **Appendix III**.

Also included at **Appendix IV** is a cumulative time analysis for the period from 8 October 2019 to 7 April 2025 which provides details of the JSAs' total time costs since appointment, totalling circa £11.6 million.

9.3 JSAs' remuneration drawn to date

During the report period, a total of £984,603 plus VAT was drawn from the FSCS Trust Account which relates to time costs in respect of Objective 1. No remuneration was drawn from the House estate.

Total remuneration drawn by the JSAs as at the end of this report period is circa £10.9 million plus VAT, which all relates to time incurred in respect of Objective 1 and paid from the FSCS Trust Account. Of this, £249,432 was initially paid from the CMP, however, this was reimbursed from the FSCS Trust Account during a prior reporting period.

9.4 Further information on the JSAs' remuneration

Creditors should be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. Examples would include dealing with former employees' claims through the Redundancy Payments Service and providing information relating to the company and its former officers as required by the Company Directors' Disqualification Act 1986.

A Creditors' and Clients' guide to the JSAs' fees can be found on the website www.ips-docs.com or, alternatively, <https://www.swgroup.com/services/restructuring-and-recovery-services/reyster-securities-plc/>. Should you require a paper copy please email clientservices@reyker.com or telephone 020 7131 4934 and it will be sent to you at no cost.

In common with many professional firms, our scale rates rise to cover annual inflationary cost increases. With effect from 1 January 2025 our rates have increased by 5%. Rate reviews will be carried out annually.

Details of S&W Partners' charge out rates (including any changes during the period) along with the policies in relation to the use of staff are provided at **Appendix VI**.

We have no business or personal relationships with the parties who approve our fees.

10. The JSAs' expenses

This section provides details of the JSAs' expenses. Expenses are amounts properly payable by us as the JSAs from the estate.

The table(s) should be read in conjunction with the receipts and payments account at Appendix II which shows expenses actually paid during the period and the total paid to date.

10.1 Professional advisors' and agents' fees and expenses

During the course of the Special Administration to 7 April 2025, the JSAs have engaged the following professional advisors and agents. The following table confirms the basis of our fee arrangement with each of them which is subject to review on a regular basis.

Period	Services	Basis of fee arrangement
Arthur Financial Ltd	IT recruitment	Fixed fee
Bartlett & Co. Ltd	Insurance brokers	Fixed fee
CAPA	Business rates review	% of realisations
Claret Recruitment Ltd	Recruitment	Mark up on contractors' time
ERA Solutions Ltd	Employee claim assistance	Fixed fee / employee
Farrer & Co LLP	Legal advice	Time costs plus disbursements
Foot Anstey LLP	Legal advice	Time costs plus disbursements
Fourthline Ltd	SAR and CASS agent recruitment	Mark up on contractors' time
Fusion Technology Solutions Ltd	IT support	Fixed fee under service agreements
Hilco Appraisal Ltd	Valuation of the Company's physical assets	Fixed fee plus disbursements
Marsh	Insurance brokers	Fixed fee
MHR International UK Ltd	Payroll services	Fixed fee / employee
Ogier (Luxemburg) SCS	Legal advice regarding Argento loan notes	Time costs plus disbursements
Ogier (Cayman) LLP	Legal advice regarding Argento loan notes	Fixed fee
SAR experienced consultants and other independent contractors (incl. Granite Star Consultancy Ltd.)	Assistance with the audit, reconciliation and return of Custody Assets and Client Money	Time costs
Seneca Partners Ltd	Marketing and assistance with negotiating a sale of the business and assets	Time costs plus disbursements
South Square	Legal counsel	Time costs plus disbursements
Twenty Recruitment Group	IT recruitment	Mark up on contractors' time

At **Appendix V** is a schedule confirming the extent of expenses incurred by the JSAs' instructed professional advisors and agents during the period (as well as cumulatively 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.

The JSAs can confirm that the choice of agents and advisors and the basis of their fees was based on factors including, but not limited to, their experience, the complexity of the assignment and their geographic location and that each are third party entities.

The JSAs and their firm do not have any association with any external provider of services and, therefore, they do not fall within the definition of an associate as defined in Section 435 of the Insolvency Act 1986 and in SIP 9. Payments to external professional advisers for the services they provide are, therefore, not a category 2 expense (as defined within SIP 9) and do not require prior approval from the Creditors' Committee.

10.2 Other expenses (category 1 and category 2)

From time to time it may be necessary for S&W Partners to pay directly for certain expenses relating to the work being undertaken. The JSAs are permitted to charge and recover such disbursements which are classified as either category 1 or category 2 expenses.

Category 1 expenses are expenses paid by S&W Partners to third parties and are recoverable without approval.

The following table sets out the category 1 expenses incurred and paid during the period:

Description	Obj. 1 expenses incurred in period £	Obj. 2&3 expenses incurred in period £	Total incurred in period £	Total paid in period £	Total expenses outstanding at period end £
IT suppliers	-	-	-	-	7,160
General suppliers	-	-	-	-	1,297
Travel & sustenance	-	-	-	-	1,124
Staff training costs	-	-	-	-	1,140
Staff equipment & expenses	-	-	-	-	1,933
Courier & postage	-	-	-	-	244
SAGE subscription	-	-	-	-	240
TV licence renewal	-	-	-	-	155
Statutory bond	-	-	-	-	140
Searches & statutory filings	124	-	124	-	339
TOTAL PAID	124	-	124	-	13,772

N.B. (1) - Costs incurred are shown exclusive of VAT.

N.B. (2) - Total costs outstanding may include costs incurred in prior periods, but not yet paid.

Category 2 disbursements are internal expenses incurred by S&W Partners that include an element of allocated costs or a profit element. Category 2 expenses are subject to the same approval as the JSAs' remuneration. The following confirms no Category 2 expenses were incurred during the period, however, £12,251 remains outstanding from prior periods.

Description	Obj. 1 expenses incurred in period £	Obj. 2&3 expenses incurred in period £	Total incurred in period £	Total paid in period £	Total expenses outstanding at period end £
Smith & Williamson Fund Administration Limited (call centre services)	-	-	-	-	12,251
TOTAL	-	-	-	-	12,251

N.B. (1) - Costs incurred are shown exclusive of VAT.

N.B. (2) - Total costs outstanding may include costs incurred in prior periods, but not yet paid.

In accordance with the Regulations and the Rules, the drawing of Category 2 disbursements is subject to the approval of the Creditors' Committee. At the first meeting of the Creditors' Committee held on 30 January 2020, a resolution was passed approving the extent of Category 2 expenses referenced in the JSAs' Proposals and a subsequent resolution was passed on 22 October 2020 approving the Category 2 expenses in the JSAs' first progress report.

10.3 Policies regarding use of third parties and expense recovery

Appendix VI provides details of S&W Partners LLP's policies in relation to the use of subcontractors and professional advisers and the recovery of expenses.

11. Ending the Special Administration

Unlike administration, a special administration does not automatically end after 12 months.

The JSAs consider that once the Objectives of the Special Administration have been met it will be concluded by either:

- making an application to the Court under paragraph 79 of Schedule B1 to the Act and seeking any order necessary (which may include a request to place the Company into liquidation); and/or
- filing a notice with the Court and Registrar of the Company's dissolution.

At this stage, it is not possible to provide a definitive timescale for the duration of the Special Administration, although the JSAs presently anticipate that it will be concluded during 2026. Further detail as regards the JSAs' overall strategy is referenced within section 5 of this report.

12. Privacy and data protection

As part of our role as JSAs, I would advise you that we may need to access and use data relating to individuals. In doing so, we must abide by data protection requirements. Information about the way that we will use and store personal data in relation to insolvency appointments can be found at www.swgroup.com/rsgdpr.

If you are unable to download this, please contact my office and a hard copy will be provided free of charge.

To the extent that you hold any personal data of the Company's data subjects provided to you by the Company or obtained otherwise, you must process such data in accordance with data protection legislation. Please contact us if you believe this applies.

13. Clients' and Creditors' rights

Clients and Creditors have rights under Rules 201 and 202 to request further information and to challenge the JSAs' remuneration and/or expenses incurred. In summary:

- Within 21 days of the receipt of a progress report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors, including the creditor in question or the permission of the court) or Client (with the concurrence of at least 5% in value of the Client assets including the Client in question) may request in writing that the JSAs provide further information about their remuneration or expenses which have been itemised in the report.
- Any secured creditor or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditor including the creditor in question or the permission of the court) or Client (with the concurrence of at least 10% in value of the total claims in respect of Client Assets held by the investment bank, or with the permission of the court or the FCA) may, within 8 weeks of receipt of a progress report, make an application to court on the grounds that, in all the circumstances, the basis fixed for the JSAs' is inappropriate and/or the remuneration charged or the expenses incurred (including any paid) by the JSAs, as set out in the report, are excessive.

The above rights apply only to matters which have not been disclosed in previous reports.

On a general note, if you have any comments or concerns in connection with our conduct, please contact Mark Ford or Adam Stephens in the first instance. If the matter is not resolved to your satisfaction, you may contact our Head of Legal by writing to 45 Gresham Street, London EC2V 7BG or by telephone on 020 4617 5501.

Thereafter, if you wish to take the matter further you may contact the Insolvency Services directly via Insolvency Complaints Gateway. They can be contacted by email, telephone or letter as follows:

- i) Email: insolvency.enquiryline@insolvency.gov.uk
- ii) Telephone number: +44 300 678 0015

iii) Postal address: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA.

14. Next report

We are required to provide a further report on the progress of the Special Administration within one month of the end of the next six-month period unless we have concluded matters prior to this, in which case we will write to all Clients and Creditors with our final report.



Mark Christopher Ford

Joint Special Administrator

Date: 2 May 2025

Mark Christopher Ford, Adam Henry Stephens and Henry Anthony Shinnars have been appointed as the JSAs of the Company on 8 October 2019.

The affairs, business and property of the Company are being managed by the JSAs as agents and without personal liability.

All of the joint office-holders are authorised and licensed in the UK by the Institute of Chartered Accountants in England and Wales and are bound by their code of ethics. Further details of their licensing body along with our complaints and compensation procedure can be accessed at: <https://www.swgroup.com/insolvency-licensing-bodies/>

The JSAs may act as controllers of personal data, as defined by the Data Protection Regulations, depending upon the specific processing activities undertaken. S&W Partners LLP may act as a processor on the instructions of JSAs. Personal data will be kept secure and processed only for matters relating to the JSAs' appointment.

The Privacy Notice in relation to the General Data Protection Regulation can be accessed at www.swgroup.com/rsgdpr

Should you wish to be supplied with a hard copy of any notice, attachment or document relating to a case matter, please contact the staff member dealing with this matter at any time via telephone, email or by post.

The word partner is used to refer to a member or employee of S&W Partners LLP. A list of members is available at the registered office.

S&W Partners LLP is registered in England at 45 Gresham Street, London EC2V 7BG No OC369631

Regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities



Appendices

I Statutory information

Relevant Court	High Court of Justice, Business and Property Courts of England and Wales			
Court Reference	CR-2019-006671			
Trading Addresses	17 Moorgate, London EC2R 6AR			
Former Name(s)	Reyker Securities Limited (1 November 1985 to 6 March 1995)			
	Finsec Services Limited (1 February 1984 to 31 October 1985)			
	Phoneville Limited (23 August 1983 to 30 January 1984)			
Registered Office	c/o Evelyn Partners LLP, 45 Gresham Street, London, EC2V 7BG			
Registered Number	01747595			
Joint special JSAs	Mark Christopher Ford, Adam Henry Stephens and Henry Anthony Shinnors of Evelyn Partners LLP (IP No(s) 9521,9748 and 9280)			
	In accordance with Paragraph 100 (2) Schedule B1 of the Act (as applied by Reg. 15) the Court order authorises the JSAs to act jointly and severally.			
Date of Appointment	8 October 2019			
Appointor	The High Court of Justice upon the application of the directors			
Directors (current)	<u>Name</u>	<u>Appointed</u>	<u>Resigned/Removed</u>	<u>Shares</u>
	Adrian Barwell	31 August 2012	-	41.77%
	Katie McGinley	28 June 2017	2 December 2019	
Directors (last 3 years)	Philippa Brown	1 February 2006	19 September 2018	10.10%
Company Secretary	Katie McGinley	13 April 2018	2 December 2019	
Shareholders	<u>Name</u>	<u>No. shares held</u>		<u>Voting rights</u>
	Karin Bernadette Moorhouse	282,188		38.75%
	Adrian Barnwell	304,150		41.77%
	Philippa Jane Brown	73,556		10.10%
	Kelly Beatrice Lake	6,562		0.90%
	Jessica Moorhouse	13,125		1.80%
	Kyle Lake	6,563		0.90%
	Will Felstead	14,000		1.92%
	Jeffery Eric Felstead	14,000		1.92%
	Georgina Rose Felstead	14,000		1.92%
	Total	728,144		100%

II Receipts and payments account

Est. to Realise £	8 October 2024 to 7 April 2025		8 October 2019 to 7 April 2025		
	House	Objective 1	House	Objective 1	
	Accounts	Accounts	Accounts	Accounts	
	£	£	£	£	
	RECEIPTS				
	Financial Services Compensation Scheme	-	1,735,496.00	-	22,852,670.00
	Repayable Loan Facility	-	-	-	2,600,000.00
	Share of Costs - Custody Assets	-	-	-	47,500.00
	Argento Legal Fee Contributions	-	3,788.21	-	110,928.62
	Bank Interest Gross	18,139.86	17,536.09	129,030.07	79,508.79
24,369.10	Book Debts	-	-	62,671.65	-
51,812.15	Cash at Bank	-	-	51,812.15	-
187.31	Petty Cash	-	-	148.85	-
	Corporate Action Fees	-	-	45,722.50	-
Nil	Third Party Claims	-	-	25,000.00	-
Nil	Investments	9,695.39	-	107,467.29	-
	Fees re the early return of CAI	-	-	12,240.00	-
55,403.56	Employee & Shareholder Loans	-	-	21,473.62	-
34,792.00	Prepayments & other deposits	-	-	10,051.86	-
	Cash held by Solicitors	-	-	1,680.00	-
45,000.00	Office Furniture & Equipment	-	-	3,510.00	-
	Sundry Refunds	-	-	553.34	63.76
		27,835.25	1,756,820.30	471,361.33	25,690,671.17
	PAYMENTS				
	JSAs' Fees & Expenses (Custody Assets)	-	(699,808.67)	-	(8,198,111.62)
	Repayable Loan Facility Redemption	-	-	-	(3,725,128.30)
	Irrecoverable VAT	-	(211,713.79)	(8,389.88)	(2,963,610.84)
	Agents' Fees & Expenses	-	(39,317.53)	(7,436.41)	(1,657,669.86)
	JSAs' Fees & Expenses (Client Money)	-	(284,793.98)	-	(2,718,599.58)
	Staff Costs (incl'd. Salaries, PAYE and Pensions)	-	(43,643.14)	-	(1,203,991.91)
	IT Suppliers	-	(13,413.40)	-	(789,091.69)
	Property Costs	-	(188.30)	-	(488,604.76)
	Legal Fees & Expenses (Custody Assets incl'd. Argento)	-	(2,499.56)	-	(681,292.53)
	Custody Fees - Custody Assets	-	(7,511.29)	-	(433,218.36)
	Structured Products Transfer Cost	-	-	-	(250,000.00)
	Development of reykeradmin.com	-	-	-	(232,599.24)
	Legal Fees & Expenses (Client Money)	-	(2,100.00)	-	(268,974.70)
	Statutory Costs (incl'd. Printing & Postage)	-	(18,924.97)	(1,042.00)	(304,603.43)
	Pre-appointment Fees & Expenses	-	-	-	(162,701.83)
	Distribution Costs - Client Money	-	-	-	(239,182.01)
	Insurance	-	-	-	(52,258.32)
	Telephone & Internet	-	-	-	(44,785.62)
	Pre-appointment Custody Fees	-	-	-	(71,151.93)
	General Suppliers	-	(490.56)	-	(32,271.00)
	Staff Benefits & Expenses	-	(988.13)	(354.00)	(34,389.58)
	Client Tracing	-	-	-	(23,594.29)
	Irrecoverable US Tax	-	-	-	(10,574.01)
	Bank Charges	-	(7.50)	(1.85)	(802.35)
	Petty Cash & Subscriptions	-	(40.00)	-	(640.00)
	Legal Fees - Other	-	-	(33,352.50)	-
		-	(1,325,440.82)	(50,576.64)	(24,587,847.76)
		27,835.25	431,379.48	420,784.69	1,102,823.41
	Balances in Hand				
		27,835.25	431,379.48	420,784.69	1,102,823.41
	REPRESENTED BY				
	FSCS Trust Account			-	981,406.09
	Share of Costs Collection Account			-	54,753.05
	Aregento Legal Costs Collection Account			-	66,664.27
	General House Account			420,784.69	-
				420,784.69	1,102,823.41

Client Money receipts & payments for the period 8 October 2024 to 7 April 2025

CLIENT MONEY - PRIMARY POOL	GBP	AUD	CHF	EUR	SEK	USD
Balance brought forward - 8 October 2024	1,000,701	1,979	367	369,562	123,530	191,830
RECEIPTS						
Returned Client Money Distributions	49	-	-	-	-	-
CAI received (and to be swept to Post Pooling Accounts)	26,508	-	-	1,252	-	-
	26,558	-	-	1,252	-	-
PAYMENTS						
Client Money Distributions to Clients	(100,296)	-	-	-	-	-
IAT of CAI to Post Pooling Accounts	(26,337)	-	-	(1,252)	-	-
Bank Charges	(15)	-	-	-	-	-
	(126,648)	-	-	(1,252)	-	-
CMP balances to hand as at 7 April 2025	900,611	1,979	367	369,562	123,530	191,830
CLIENT MONEY - POST POOLING ACCOUNTS	GBP	AUD	CHF	EUR	SEK	USD
Balance brought forward - 8 April 2024	32,062	557	-	216	-	-
RECEIPTS						
CAI (including dividends, coupons and IATs)	26,337	-	-	-	-	1,252
Returned Transfers/Distributions of CAI	-	-	-	-	-	-
FX conversions	998	-	-	-	-	-
	27,335	-	-	-	-	1,252
PAYMENTS						
Transfers/Distributions of CAI	(27,218)	-	-	-	-	(0)
FX conversions	-	-	-	-	-	(1,252)
Bank Charges	(0)	-	-	-	-	-
	(27,218)	-	-	-	-	(1,252)
CAI (post-pooling) balances to hand as at 7 October 2024	32,179	557	-	216	-	0
Total cash resource as at 7 April 2025	932,790	2,536	367	369,778	123,530	191,830
RECONCILES TO CASH AT BANK	GBP	AUD	CHF	EUR	SEK	USD
Natwest	932,773	2,536	367	369,778	123,530	191,830
Kas Bank	18	-	-	-	-	0
Balances to hand as at 7 April 2025	932,790	2,536	367	369,778	123,530	191,830

Notes and further information required by SIP 7

1. All House and FSCS Trust bank accounts are interest bearing.
2. Funds received into the Objective 1 accounts from the Repayable Loan Facility and FSCS Compensation Deed may only be used to defray the associated costs of pursuing Objective 1.
3. The Company's own House Assets may be used to defray the associated costs of pursuing Objective 2 and 3 (insofar as realisations permit) with any surplus to be made available to the Company's Creditors.
4. Client Money within the CMP is held separately to both House Assets and the Objective 1 funding account in designated Client accounts and held on trust for Clients. Foreign currency is held in separate, designated currency accounts.
5. Client Money received following the primary pooling event (known as CAI) is held in Post Pooling Accounts and segregated from the CMP, House Assets and the Objective 1 funding account which hold compensation advanced by the FSCS under the FSCS Compensation Deed. During the period, £26,508 of CAI was received into one of the CMP bank accounts but subsequently swept to a Post Pooling Account to maintain segregation (save for £171 which was swept shortly following the report period).
6. Unless otherwise stated, all amounts in the receipts and payments accounts are shown exclusive of any attributable VAT. VAT is not recoverable in this matter and, accordingly, where VAT is charged and paid on expenses, it is shown as irrecoverable VAT.
7. The JSAs drew down a further £1.7 million under the FSCS Compensation Deed during the reporting period. As at the end of the period, funds advanced under the FSCS Compensation Deed total £22.9 million. These funds are an advance of compensation due to FSCS Protected Claimants in respect of their share of the costs of returning Custody Assets and / or Client Money and may only be used to defray the associated costs of pursuing Objective 1 as they fall due.
8. The JSAs' remuneration has been approved by the Committee and remuneration paid to date totals £11.6 million regarding the pursuit of Objective 1. Further information concerning our remuneration is included in the body of the report and at Appendices III and IV.
9. Further details of payments made to any of the JSAs' professional advisors or sub-contractors are shown in the body of our report and at Appendix V.

III. Time analysis for the period

JSAs' time costs from 8 October 2024 to 7 April 2025

Classification of work function	Partner / Director	Associate director	Hours Manager/ Assistant Manager	Other professional staff	Total hours	Time cost £	Average hourly rate £
Objective 1: Client Monies							
Storage & back up of client data	-	-	0.2	-	0.2	80.85	485.00
Strategy & planning	0.9	-	-	-	0.9	792.95	865.00
Client Communications	1.9	4.4	-	2.4	8.8	6,153.32	703.23
Liaison with the committee	0.4	-	-	-	0.4	339.50	970.00
Reconciliations	0.5	-	-	-	0.5	485.00	970.00
Transfers / Returns / Sale	19.2	30.9	4.6	32.5	87.2	57,606.66	660.62
Trading matters	0.5	5.7	1.8	8.6	16.7	8,911.39	534.16
Reporting	1.6	2.6	-	1.5	5.7	4,109.62	725.22
Data subject access requests	0.5	-	3.8	13.5	17.8	7,676.61	430.47
Total	25.5	43.6	10.4	58.5	138.1	86,155.90	624.02
Objective 1: Custody Assets							
Storage & back up of client data	-	-	0.4	0.4	0.8	284.19	341.00
Strategy & planning	2.0	-	-	2.5	4.5	2,526.21	563.47
Client Communications	8.9	7.7	-	10.3	26.8	18,012.22	672.10
Liaison with the committee	0.1	0.3	0.5	0.3	1.2	759.41	650.90
Reconciliations	1.4	-	-	-	1.4	1,309.50	970.00
Post pooling monies	0.2	4.3	-	-	4.6	3,661.06	798.82
Transfers / Returns / Sale	34.6	109.2	5.5	18.1	167.5	130,862.79	781.43
Trading matters	8.6	12.2	4.2	42.0	67.0	34,631.12	516.76
Reporting	2.3	12.8	-	5.3	20.5	14,109.29	688.81
Data Subject Access Requests	6.4	13.2	9.1	43.2	71.9	36,239.26	504.02
Total	64.5	159.7	19.7	122.3	366.1	242,395.06	662.13
Objective 2: Liaison with Regulatory Bodies							
Total	-	-	-	0.8	0.8	340.03	408.00
Objective 3: Company ("House")							
Administration & planning	1.7	21.8	1.4	10.7	35.5	22,948.59	646.44
Creditors	-	0.6	-	1.5	2.1	835.47	401.03
Corporate Tax	-	0.2	-	-	0.2	135.03	810.00
Case specific legal actions	18.1	0.2	0.3	5.0	23.5	20,374.88	866.40
Total	19.8	22.7	1.6	17.2	61.3	44,293.97	722.97
Grand Total	109.7	226.0	31.7	198.9	566.3	373,184.96	659.05

Explanation of major work activities undertaken

Objective 1: Client Money

Storage and back up of client data

- Undertaking work to ensure client data is backed up correctly.

Strategy & planning

- Internal meetings and discussions regarding the options available for closing the CMP, timing of a Court application for a Hard Bar Date and other options for expediting the final Client Money distribution for non-FSCS Protected Claimants.
- Internal meetings for team members, Reyker employees and contractors to provide updates so that new workstreams may be allocated and progress reviewed.

Client communications

- Drafting website updates regarding the ongoing Client Money distribution.
- Responding to Client queries regarding the distribution of Client Money by post, email and by phone.
- Regular briefing sessions with client services so they are well prepared to assist with the various lines of enquiry being received by Clients and to provide an opportunity to feedback other matters arising from Client queries.
- Drafting formal responses to Client queries escalated by client services as requiring a written response from the JSAs.
- Issuing paper copy claim forms and CMIFs to Clients on request.
- Uploading paper copy CMIFs or instructions received via email to the Portal.
- Review of returned correspondence, Client addresses and updating reykeradmin.com database.
- Reviewing and manually verifying Client bank account details where required.
- Preparing and providing tax certificates upon request.
- Reviewing probate registers, Client death certificates and grants of probate and liaising with executors as necessary.
- Responding to DSARs.
- Updating FCA and FSCS regarding progress of the third and final Client Money distribution for FSCS Protected Claimants and matters preventing an application for a Hard Bar Date.
- Responding to FSCS information requests regarding eligibility assessments and other claims that the Client may be pursuing against the Company.
- Liaising with FSCS and Reyker's contracted IT support regarding the efficient sharing of Company records to facilitate eligibility assessment and validity of Client claims.
- Maintaining and developing the JSAs' external and internal portals, reykerportal.com and reykeradmin.com, to include (but not limited to):
 - Renewal of domains and requisite certificates to ensure ongoing functionality and security of both the external Client Claim Portal and the internal reykeradmin.com database;
 - Development of safe custody workflows within reykeradmin.com to ensure Client Money and CAI continue to be correctly segregated, reconciled and allocated to Client ledgers; and
 - Further review and consolidation of data within the back-end of reykeradmin.com and limiting the number of services (and therefore the cost) being utilised within Microsoft Azure (insofar as possible).

Liaison with the Creditors' Committee

- Ad hoc emails and reports to the members of the Creditors' Committee at key milestones regarding progress of the return of Client Assets.
- Preparing for and holding a formal meeting of the Creditors' Committee, including preparing presentations.
- Documenting proceedings of the meeting, to include detailed minutes of matters discussed relating to the return of Client Assets.

Reconciliations

- Review of Client Money Reconciliation and discussions with safe custody regarding outstanding items.
- Review of tax reclaim of tax deducted at source on ISA dividends.
- Annual review and sanction checks for all Client Money held under the JSAs control to comply with frozen asset regulatory reporting requirements.

Transfers / returns / sale

- Ongoing review of the run rate of Client claims and discussions with legal advisors and counsel regarding the appropriate timing of a court application to set a Hard Bar Date.
- Responding to instructions received from Clients and requesting additional information to facilitate the processing of their Client Money distribution(s) where this has not yet been paid.
- Processing further third and final distributions for FSCS Protected Claimants and ongoing interim distributions to Non-FSCS Protected Claimants following receipt of requisite documentation, to include reviewing Client Money instructions received, processing payments in conjunction with Reyker's safe custody team, liaising with Clients for additional information and sanction checks.
- Review of documentation received and verifying additional UK and international bank accounts designated by Clients to receive Client Money.
- Liaising with alternative brokers nominated by Clients to accept Client Money.
- Donating funds to NHS Charities Together, where instructed by Clients.
- Regular meetings between Reyker staff/contractors and the JSAs' staff regarding progress, priorities and next steps as regards the return of Client Money.
- Considering CTF and ISA related matters and liaising with HMRC.
- Finalising negotiations with brokers that were interested in accepting a Transfer of the remaining CTF book.
- Liaising with the FSCS regarding Client eligibility for compensation regarding the associated costs of distributing Client Money.
- Discussions with our legal advisors regarding potential timing of Hard Bar Date application for Client Money.

Trading matters (including funding)

- Regular review of critical operations, suppliers and cost base.
- Monitoring and updating the trading cashflow and projections.
- Preparing financial reports and funding requests to FSCS under the FSCS Compensation Deed.
- Managing and consulting with employees and contractors.
- Administering the Company's payroll, including associated tax and pension matters.
- Ensuring contractual benefits offered to employees and relevant insurances remain in place.
- Maintaining appropriate insurance policies.
- Attending to supplier queries and correspondence.
- Raising, approving and monitoring purchase orders and reviewing and processing payment of invoices.
- Negotiating terms of continued supply (where necessary) to ensure services are provided at a competitive cost.
- Ensuring regulatory and control functions, as required by the FCA, are fulfilled.
- Liaising with IT and data providers to ensure continuity of services.
- Ongoing review of resource requirements, including employees, contractors and suppliers.
- Provision of references for former employees of the Company.

Reporting

- Drafting parts of the statutory progress report to Clients and Creditors (period ended 7 April 2024) on matters relating to Client Money.
- Preparation of notice of progress report for Client Money Clients and review and agree mailing list.

Data Subject Access Requests

- Responding to DSARs in accordance with relevant regulations.
- Responding to FSCS information requests.
- Maintaining and uploading information to data sharing portals to facilitate the FSCS' own claims adjudication process.

Objective 1: Custody Assets time costs

Storage and back up of client data

- Undertaking work to ensure client data is backed up correctly.

Strategy & planning

- Internal meetings and emails regarding overall strategy for the return of Custody Assets and concluding the Special Administration.

Client communications

- Drafting announcements and regular updates regarding the Transfer and Distribution of Custody Assets and CAI and publishing on the Website.
- Responding to Client queries by post, email and by phone, regarding the Transfer and Distribution of Custody Assets and CAI generally.
- Team meetings to brief Reyker staff and contractors following Client updates and circulars.
- Liaising with Clients who are not FSCS Protected Claimants regarding their Share of Costs.
- Review of returned correspondence, Client addresses and updating reykeradmin.com database.
- Preparing and providing tax certificates upon request.
- Responding to FSCS information requests regarding eligibility assessments and other claims that the Client may be pursuing against the Company.
- Liaising with FSCS and Reyker's contracted IT support regarding the efficient sharing of Company records to facilitate eligibility assessment and validity of Client claims.
- Reviewing Client death certificates and grant of probate and liaising with executors as necessary.
- Developing the JSAs' external and internal portals, reykerportal.com and reykeradmin.com, to include (but not limited to):
 - Further review and consolidation of data within the back-end of reykeradmin.com and limiting the number of services (and therefore the cost) being utilised within Microsoft Azure (insofar as possible); and
 - Further testing of robustness and usability of back up data (including source code) saved to third party provider as part of the JSAs' disaster recovery planning.

Liaison with the Creditors' Committee

- Same as for Client Money (see above).

Reconciliations

- Review and investigation of asset breaks on the Custody Asset reconciliation and taking appropriate steps to clear.
- Annual review and sanction checks for all Client Money held under the JSAs control to comply with frozen asset regulatory reporting requirements.

Post Pooling monies

- Sweeps of CAI received on Custody Assets (e.g. dividends, coupon payments and redemptions) to designated Post Pooling Accounts.

- Reconciliation of CAI received into Post Pooling accounts and reporting to the FCA as required.
- Liaising with registrars to obtain further information regarding unidentified dividend/coupon receipts.
- Periodic distributions of CAI to the Nominated Brokers or Clients' respective bank accounts.

Transfers / returns / sale

- Maintaining all requisite settlement platforms and sub-custodian systems for the Transfers and Distribution of Custody Assets (e.g. CACEIS).
- Liaising with Clients, Nominated Brokers, other brokers, sub-custodians, fund managers, Investment Managers and IFAs for the preparation and execution of Transfers and Distributions of Custody Assets from various locations (including stock held in electronic, paper and statement form).
- Review of internal checklists prepared by Reyker staff and contractors for approval of prepared Transfers and Distributions.
- Review of internal checklists and sweeps of CAI to alternative brokers designated by opt-out Clients or holders of CTFs or IF ISAs following the Distribution of their Custody Assets.
- Verifying data exported from the Portal and reykeradmin.com to confirm the Custody Assets and quantities which were to be Transferred or Distributed and to which Nominated Broker or broker.
- Improvements to reykeradmin.com to assist the Transfer and Distribution of Custody Assets.
- Working with Clients, Investment Managers and the FSCS to ensure that all FSCS Protected Claimants are identified and eligibility confirmed.
- Safeguarding physical share certificates.
- Liaising with solicitors regarding the Argento loan note issue, potential legal options and costs.
- Liaising with Clients who hold Argento loan notes with regard to actions being considered by the JSAs.
- Ongoing discussions and correspondence with potential brokers who may be able to receive the remaining CTF book by way of a sixth Nominated Broker Transfer.
- Collating, logging and processing stock transfer forms as received from brokers with regard to the Distribution of Custody Assets for opt-out Clients or those without a Nominated Broker.
- Ongoing monitoring and work regarding problematic Custody Assets and classifying as Non-Returnable Client Assets where appropriate.
- Discussions with our legal advisors regarding potential timing of Hard Bar Date application for Custody Assets.

Trading matters

- Same as for Client Money (see above).

Reporting

- Drafting parts of the statutory progress report to Clients and Creditors on matters relating to Custody Assets and CAI.
- Preparation of notice of progress report for Custody Asset Clients and review and agree mailing list.

Data Subject Access Requests

- Responding to DSARs in accordance with relevant regulations.
- Responding to FSCS information requests.
- Maintaining and uploading information to data sharing portals to facilitate the FSCS' own claims adjudication process.

Objective 2: Liaison with Regulatory bodies

- Providing updates and responding to information requests from the Authorities as required.

Objective 3: Winding up the Company's affairs

Administration & Planning

- Administrative filing of statutory documents in accordance with the Rules and Regulations, including the JSAs' progress report for the prior reporting period.
- Formulating, monitoring and reviewing the Special Administration strategy as it relates to House Assets and creditors, including internal and external meetings.
- Planning Evelyn Partners staff resource and briefing on the Special Administration strategy as it relates to House Assets and creditors.
- Complying with internal filing policies and industry best practice, to include documenting strategic decisions.
- Review of time cost data to ensure accurate posting of time between the various workstreams and the Objectives.
- Updating checklists and diary management system.
- Undertaking statutory six-month case reviews.
- Monitoring case bordereau.
- Payments and bank reconciliations in respect of the General House Account.

Creditors

- Responding to creditor queries by post, email and phone.
- Updating creditor addresses on our internal case management software (IPS).
- Review of documentation regarding the ongoing Unfair Prejudice claim, where the Company is named as a respondent, and discussions with solicitors in relation to the proceedings.

Realisation of assets

- Review of documentation regarding the ongoing Unfair Prejudice claim, where the Company is named as a respondent, and discussions with solicitors in relation to the proceedings.
- Liaising with the assignee of claims against third parties to assist with the pursuit and enforcement of such claims where appropriate.

IV Cumulative time analysis

JSAs' time costs from 8 October 2019 to 7 April 2025

Classification of work function	Partner / Director	Associate director	Hours			Total hours	Time cost £	Average hourly rate £
			Manager/ Assistant Manager	Other professional staff	Assistants & support staff			
Objective 1: Client Monies								
Storage & back up of client data	7.1	2.3	11.5	17.5	-	38.3	14,988.54	391.01
Strategy & planning	44.2	3.4	78.3	12.8	-	138.7	72,345.49	521.53
Client Communications	107.0	85.2	649.3	966.4	19.1	1,827.0	699,478.48	382.87
Liaison with the committee	55.5	22.3	50.8	2.8	-	131.4	78,165.35	594.94
Client statements	3.9	12.6	57.4	4.5	-	78.3	37,184.95	475.21
Client identification / tracing	23.7	5.6	80.2	64.0	-	173.4	73,553.57	424.14
Reconciliations	12.6	9.3	16.3	75.4	-	113.7	34,215.47	301.06
Transfers / Returns / Sale	345.6	451.1	1,523.3	131.1	-	2,451.2	1,384,967.71	565.03
Hard Bar Date / Closure	-	1.3	0.9	-	-	2.2	1,509.17	691.23
Trading matters	53.1	53.4	357.1	128.4	-	591.9	280,960.26	474.64
Reporting	5.7	26.4	51.3	5.4	-	88.9	50,278.66	565.78
Data subject access requests	1.6	7.4	28.3	23.1	-	60.4	26,191.02	433.87
Total	659.9	680.3	2,904.8	1,431.2	19.1	5,695.2	2,753,838.67	483.54
Objective 1: Custody Assets								
Storage & back up of client data	28.7	5.0	51.0	87.6	-	172.2	60,665.11	352.23
Strategy & planning	125.5	23.5	257.1	93.5	-	499.6	238,374.67	477.10
Client Communications	546.5	281.0	1,635.0	3,064.5	54.1	5,581.0	2,178,586.79	390.36
Liaison with the committee	183.9	73.1	192.6	14.7	-	464.2	268,369.02	578.09
Client statements	26.7	31.3	165.4	3.0	-	226.4	110,395.48	487.58
Client identification / tracing	18.4	2.0	42.0	7.0	-	69.4	33,160.10	478.04
Reconciliations	69.4	11.3	47.6	204.4	-	332.6	106,334.07	319.72
Open trades	24.7	28.5	2.5	-	-	55.7	32,972.50	591.97
Post pooling monies	22.6	135.1	448.1	8.4	-	614.2	317,111.16	516.31
Corporate actions	29.5	95.9	38.8	1.7	-	165.8	91,081.11	549.18
Transfers / Returns / Sale	1,496.9	2,945.8	728.3	170.1	-	5,341.2	3,388,435.77	634.40
Hard Bar Date / Closure	1.4	2.8	8.0	-	-	12.2	8,155.32	669.38
Trading matters	214.5	314.4	1,180.4	664.0	-	2,373.2	1,103,109.21	464.81
Reporting	17.4	95.5	181.2	13.8	-	307.9	174,694.29	567.37
Data Subject Access Requests	13.7	51.8	117.4	71.1	-	254.0	121,831.72	479.59
Total	2,819.6	4,096.9	5,095.4	4,403.8	54.1	16,469.7	8,233,276.33	499.90
Objective 2: Liaison with Regulatory Bodies								
	5.6	-	-	-	-	5.6	5,415.80	970.00
LIAISON WITH REGULATORS	105.2	11.7	35.4	53.3	-	205.5	115,888.13	563.89
Total	110.7	11.7	35.4	53.3	-	211.1	121,303.93	574.63
Objective 3: Company ("House")								
Administration & planning	39.3	123.6	156.0	140.4	-	459.3	214,714.00	467.50
Investigations	65.7	158.0	20.1	52.5	-	296.4	159,653.28	538.64
Realisation of assets	3.6	16.7	25.6	13.7	-	59.6	30,079.64	504.41
Creditors	6.0	5.7	27.3	17.6	0.2	56.8	26,741.83	471.22
Corporate Tax	15.1	0.9	7.7	-	-	23.7	17,573.25	742.53
Case specific legal actions	18.1	0.2	0.3	5.0	-	23.5	20,374.88	866.40
Total	147.8	305.1	237.0	229.2	0.2	919.2	469,136.88	510.35
Grand Total	3,738.1	5,093.9	8,272.5	6,117.5	73.3	23,295.3	11,577,555.81	496.99

V Expenses incurred by the JSAs

Name of professional advisor	Services	Obj 1 costs incurred in the period £	Obj 2 & 3 costs incurred in the period £	Total costs incurred in the period £	Total costs incurred £	Costs paid in the period £	Total costs paid £	Costs outstanding £
Foot Anstey LLP	Legal advice	10,165	2,400	12,564	1,023,234	-	784,062	239,172
Foot Anstey LLP	Legal expenses	-	-	-	1,313	-	1,313	-
South Square	Legal counsel	-	-	-	135,040	2,100	135,040	-
Foot Anstey LLP	Corporate Action assistance	-	-	-	12,049	-	12,049	-
Ogier (Luxembourg) SCS	Legal advice and expenses	-	-	-	37,916	-	37,916	-
Ogier (Cayman) LLP	Legal advice and expenses	2,500	-	2,500	10,936	2,500	10,936	-
Farrer & Co LLP	Legal advice	-	-	-	1,000	-	1,000	-
Seneca Partners Ltd	Marketing and assistance with sale of business and assets	-	-	-	199,015	-	199,015	-
Hilco Appraisal Ltd	Valuation and sale of chattel assets	-	-	-	7,436	-	7,436	-
ERA Solutions Ltd	Employee claim assistance	-	-	-	1,470	-	-	1,470
SAR and other experienced consultants (incl'd. Granite Star Consultancy Ltd)	Various consultancy services regarding the return of Custody Assets and Client Money	-	-	-	662,754	-	662,754	-
Fourthline Ltd	SAR and CASS recruitment	-	-	-	188,674	-	188,674	-
Arthur Financial Ltd	IT recruitment	-	-	-	4,500	-	4,500	-
Chartermore Partners Ltd (formerly Claret Recruitment Ltd)	Safe Custody recruitment	38,792	-	38,792	606,598	38,792	606,598	-
MHR International	Payroll service	525	-	525	6,230	525	6,230	-
CAPA	Business rates review	-	-	-	-	-	-	-
Marsh	Insurance brokers	-	-	-	20,071	-	20,071	-
Bartlett & Co. Ltd	Insurance brokers	-	-	-	32,188	-	32,188	-
Twenty Recruitment	IT recruitment	-	-	-	85,999	-	85,999	-
Fusion Technology Solutions Ltd	IT support and maintenance	12,813	-	12,813	253,385	12,813	253,385	-
TOTAL		64,795	2,400	67,194	3,289,807	56,730	3,049,165	240,642

N.B. (1) - Costs incurred are shown exclusive of VAT.

N.B. (2) - Total costs outstanding may include costs incurred in prior periods, but not yet paid.

N.B. (3) – Costs are paid from either the FSCS Trust Account (Objective 1), the segregated Argento Legal Costs Collection Account or the House Accounts depending on the nature of work done. All payments during the report period are disclosed in Appendix C.

N.B. (4) - The JSAs' select professional advisers (such as agents and solicitors) on the basis of balancing a number of factors, including (but not limited to) their expertise, the nature of the assignment and fee structures, and that external professional advisers are third party entities. The JSAs and their firm do not have any association with any external provider of services and, therefore, they do not fall within the definition of an associate as defined in Section 435 of the Insolvency Act 1986 and in SIP 9. Payments to external professional advisers for the services they provide are therefore not a category 2 expense (as defined within SIP 9) and do not require prior approval from the Creditors' Committee.

VI Staffing, charging, subcontractor, and adviser policies and charge out rates

i. Introduction

This appendix sets out our policies in insolvency cases in respect of the following:

- case team and allocation of case staff;
- minimum time charging units;
- time charged and work done by other S&W Partners LLP departments;
- an explanation of Category 1 and Category 2 expenses in the context of insolvency estates;
- payments to associates including working with other entities within the S&W Partners group;
- the use of subcontractors;
- the selection of professional advisers; and
- charge-out rate tables for the relevant period.

ii. Case team and allocation of staff

We allocate case staff based on the required skills, experience and availability to meet the requirements of each case.

A typical case team will consist of two or more insolvency practitioners (who will be Partners, Directors, Associate Directors or a Consultant), case manager(s) and other professional staff depending on the size and complexity of the matter. Staff may be located in different offices. When reporting our costs we do so in the following groupings:

- Partner (including Consultants)
- Directors & Associate Directors
- Managers
- Other professional staff
- Support staff

We delegate tasks to suitable grades of staff, taking into account their experience, skills and any specialist knowledge that is needed in order to ensure that work is completed in a cost-effective manner while exercising appropriate control.

More complex matters or those that carry an elevated amount of risk will be handled by more senior staff or the office holders.

All staff working on an assignment (including cashiering and support functions) charge time directly to the assignment. Each grade of staff has an hourly charge-out rate which is reviewed annually.

Cashiering time is allocated according to their staff grade within our time recording system (ranging from Other professionals to Associate Director).

iii. Time charging units (appointment before 1 August 2020)

- Until 31 July 2020 time was recorded in minimum units of 3 minutes or multiples thereof.
- Since 1 August 2020 time has been recorded in minimum units of 1 minute or multiples thereof.
- We do not charge general or overhead costs.

iv. Time charging units (appointment on or after 1 August 2020)

- Time is recorded in minimum units of 1 minute or multiples thereof.
- We do not charge general or overhead costs.

v. Work undertaken by other S&W Partners LLP departments

S&W Partners LLP is a full-service accounting practice and certain matters relating to the insolvent estate may be handled by non-insolvency staff in other departments. This might include services relating to:

- book-keeping and accounting in respect of pre-insolvency matters;
- taxation; and
- forensic accounting and investigations.

These costs are billed by the insolvency practitioners' firm and are therefore treated (and approved as) office-holders' remuneration and can be separately identified in our time cost reporting. They may be subject to separate resolutions/fee decisions where there is a desire to separately identify those costs or charge them on a different basis.

vi. Expenses

Expenses are any amounts that are paid from an insolvency estate that are not:

- remuneration of the insolvency practitioners; or
- distributions to creditors and/or members.

Category 1 expenses

These are defined by SIP 9 as:

Payments to persons providing the service to which the expense relates who are not an associate of the office-holder. Category 1 expenses can be paid without prior approval.

Category 2 expenses

These are defined by SIP 9 as:

Payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as an expense.

vii. Category 2 expenses / payments to associates

Reimbursement of mileage at HMRC rates

These are Category 2 expenses as the firm (in the case of company vehicles) or its employees (for use of private vehicles for business travel) receive mileage reimbursement at HMRC approved rates from the insolvency estate.

Other group entities

The group to which S&W Partners LLP belongs contains a number of different legal entities. On occasions it may be appropriate for other S&W Partners entities to perform services for the insolvency estate. This is most likely where one of these firms has previously undertaken work for a company in members' voluntary liquidation and is concluding tax or accounting work as part of the liquidation.

Other associates

Payments to any other party who meets the legal definition of an associate of the insolvency practitioners or the firm OR who a reasonable and informed third party might otherwise consider an associate are also Category 2 expenses.

We do not generally engage services from any other party who we consider to be an associate.

Were such circumstances to arise situation specific disclosures would be made and approvals sought when reporting to creditors.

viii. Subcontractors

We may use subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

Any such arrangements will be reviewed periodically to ensure that best value and service continue to be obtained.

ix. Professional advisers

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

- the industry and/or practice area expertise required to perform the required work;
- the complexity and nature of the assignment;
- the availability of resources to meet the critical deadlines in the case;
- the charge out rates or fee structures that would be applicable to the assignment;
- the extent to which we believe that the advisers in question can add best value and service to the assignment; and
- the expertise and experience of the service provider.

Where appropriate we ensure that the provider holds appropriate regulatory authorisations and professional indemnity insurance and that they are bound by appropriate professional and ethical standards.

Arrangements are reviewed periodically to ensure that best value and service continue to be obtained.

x. Independence of subcontractors and professional advisers

External professional advisers and subcontractors are usually third-party entities.

The insolvency practitioners and their firm do not normally have any association with any external provider of services and therefore they do not normally fall within the definition of an associate as defined in Section 435 of the Insolvency Act 1986 and in Statement of Insolvency Practice 9.

Payments to subcontractors and external professional advisers for the services they provide are therefore not usually a category 2 expense as defined in SIP 9 and therefore do not ordinarily require prior approval from the committee or creditors.

xi. Rate tables

Details of the rates applying during the current reporting period and the dates from which they were effective is provided below.

Rates applying at the time of seeking approval of remuneration and/or in prior accounting periods were included in our previous reports.

All rates are reviewed annually and changes take effect on 1 January each year.

Restructuring rates

Restructuring & Recovery Services		
Charge out rates	£/hr	£/hr
	From 1 January 2024	From 1 January 2025
Partner	950 to 980	990 to 1050
Director / Associate Director	610 to 835	640 to 890
Managers	470 to 695	390 to 720
Other professional staff	230 to 395	230 to 410
Support & secretarial staff	130 to 155	140 to 160

Forensics rates

Forensic Services		
Charge out rates	£/hr	£/hr
	From 1 January 2024	From 1 January 2025
Partner	605	635
Director / Associate Director	380-445	410 to 480
Managers	250-355	270 to 380
Other professional staff	145-205	150 to 220
Support & secretarial staff	140	140 to 150



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Principal offices: London, Belfast, Birmingham, Bristol, Cheltenham, Dublin, Glasgow, Guildford, Jersey, Salisbury and Southampton.

S&W Partners LLP is regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities and is registered in England at 45 Gresham Street, London, EC2V 7BG. No. OC 369631.

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