PCF Bank Limited

in Creditors' Voluntary Liquidation

Joint Liquidators' Progress report
from 19 June 2025 to 18 June 2026

Date: 17 August 2026

Company number: 02794633

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Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that are specific to this appointment and report:

Joint Liquidators / Liquidators / we / us / our / Office holder(s)	Peter David Dickens and Edward John Macnamara
Company	PCF Bank Limited – in Creditors' Voluntary Liquidation
Date of appointment	19 June 2024
DCA	Discretionary Commission Arrangements
FCA	Financial Conduct Authority
FOS	Financial Ombudsman Service
Group	PCF Group PLC, PCF Bank Limited, PCF Credit Limited and Azule Limited (now dissolved)
Period	19 June 2025 to 18 June 2026
Registered office	8th Floor, Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL

The following table shows generic abbreviations and insolvency terms that may be used in this report:

CVA	Company voluntary arrangement under Part 1 IA86
CVL	Creditors' voluntary liquidation
DBT	Department for Business and Trade
Firm/PwC	PricewaterhouseCoopers LLP
HMRC	HM Revenue and Customs
IA86	Insolvency Act 1986
IR16	Insolvency (England and Wales) Rules 2016
Insolvency code of ethics	The code of ethics aims to help insolvency practitioners meet their professional and ethical obligations. A copy can be found at https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics
Ordinary preferential creditors	Creditors with claims defined in IA86 as ordinary preferential debts: These include claims for: ● unpaid remuneration earned in the four months before the relevant date of the insolvency up to a maximum of £800, an unlimited amount of accrued holiday pay, unpaid pension contributions in certain circumstances
Preferential creditors	Creditors who are classified as Ordinary preferential creditors or Secondary preferential creditors, as defined below and who rank above unsecured creditors
Prescribed part (pp)	The amount set aside for unsecured creditors from floating charge funds in accordance with section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003. It is paid out of 'net property' i.e. floating charge realisations after both costs and after setting enough

	aside to pay preferential creditors in full. It only has to be made available where the floating charge was created on or after 15 September 2003. The amount of the prescribed part is; ● 50% of net property up to £10k (i.e. the pp will be up to £5k); plus (if applicable) ● 20% of net property above £10k (i.e. the pp will be £5k plus 20% of the net property that exceeds £10k) The pp is subject to a maximum of £600k where the floating charge(s) is / are created before 6 April 2020. The maximum is £800k where the charge(s) is / are created on or after 6 April 2020 (provided there isn't a charge created before 6 April 2020 that ranks equally or in priority to it, in which case the maximum remains at £600k)
Regulations	Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021
Restructuring plan	A compromise or arrangement under Part 26A Companies Act 2006
ROT claims	Claims to retention of title over goods supplied to the Company but not paid for before the Administrators' appointment
RPS	Redundancy Payments Service, part of the Insolvency Service, which is an executive agency sponsored by DBT, and which authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
Sch B1 IA86	Schedule B1 to the Insolvency Act 1986
Secondary preferential creditors	Creditors with claims defined in IA86 as secondary preferential debts to be paid after ordinary preferential debts, if there are sufficient funds These include claims for: ● certain HMRC debts owed at the date of insolvency, consisting of VAT and relevant amounts deducted by the Company from payments due to another taxpayer and due to be paid over to HMRC (e.g. PAYE, employee NICs and Construction Industry Scheme deductions). Penalties and interest do not form part of HMRC's preferential claim
Secured creditor(s)	A creditor with security in respect of their debt, in accordance with section 248 IA86
SIP	Statement of Insolvency Practice. SIPs are issued to insolvency practitioners under procedures agreed between the insolvency regulatory authorities. SIPs set out principles and key compliance standards with which insolvency practitioners are required to comply
SIP 2	Statement of Insolvency Practice 2: Investigations by office holders in administrations and insolvent liquidations and the submission of conduct reports by office holders
SIP 9	Statement of Insolvency Practice 9: Payments to insolvency office holders and their associates from an estate
SIP 13	Statement of Insolvency Practice 13: Disposal of assets to connected parties in an insolvency process
SIP 16	Statement of Insolvency Practice 16: Pre-packaged sales in administrations
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006

Unsecured Creditors	Creditors who are neither secured nor preferential, ranking behind secured creditors and all preferential classes of creditors

This report has been prepared by the Office holders solely to comply with their statutory duty to report to creditors on the progress of the insolvency, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

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

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

Any person choosing to rely on this report does so at their own risk. To the fullest extent permitted by law, we do not assume any liability in respect of this report to any such person.

Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

We are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Liquidators are bound by the Insolvency Code of Ethics which can be found at:

https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics

We may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Liquidators.

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Key messages

Why we've sent you this report

We have been appointed to manage the Company's affairs, business and property as its agents and act without personal liability.

This report provides you with an update on the progress in the Period, together with information we are required to include by law and applicable insolvency guidance.

Immediately below is an estimate of the expected outcome for the different creditor classes, beneath which is what you need to do.

Please note you should read this report in conjunction with our previous reports, which can be found at www.pwc.co.uk/PCFgroup. Please get in touch with the case team by emailing at uk_pcf_enquiries@pwc.com if you need any passwords to access the reports.

How much creditors may receive

The following table summarises the possible outcome for creditors, based on what we currently know.

Class of creditor	Current estimate	Previous estimate
Secured creditors	N/A	N/A
Ordinary preferential creditors	N/A	N/A
Secondary preferential creditors	N/A	N/A
Unsecured creditors *	Uncertain	Uncertain
Subordinated Unsecured creditor **	Uncertain	Uncertain

*Given the ruling made by the FCA, the outcome of any distribution to Unsecured creditors remains uncertain at this stage; further details below.

**The subordinated Unsecured creditor according to the directors' Statement of Affairs was owed £1.76m. This creditor will rank behind normal Unsecured creditors.

Secured creditors

The Company does not have any Secured creditors.

Ordinary preferential creditors

The Company does not have any Ordinary preferential creditors.

Secondary preferential creditors

There are no Secondary preferential creditors.

Unsecured creditors

Dividends become available for Unsecured creditors when there are sufficient funds (after costs of the liquidation) to pay the Secured and Preferential creditors in full, with an amount left over. In certain circumstances, part of the amount available for Secured creditors may be ring-fenced for the benefit of Unsecured creditors. This Prescribed Part is paid out of 'net property', which is floating charge realisations after costs, and after paying – or setting aside enough to pay – Preferential creditors in full. But it only has to be made available where the floating charge was created on or after 15 September 2003.

In this case the Prescribed Part does not apply because there is no floating charge registered against the Company.

The position regarding a dividend to Unsecured creditors remains uncertain. The amount and timing of any potential dividend cannot be determined at this stage as it depends on the approach we are able to take following the FCA motor vehicle consumer redress ruling in relation to DCA; further details are provided below.

At present, the number of contingent Unsecured creditors has not been confirmed.

There is also a subordinated Unsecured creditor claim in this entity, which ranks behind normal Unsecured creditors. Based on the information currently available, any distribution to the subordinated Unsecured creditor remains uncertain.

What you need to do

This report is for your information and you don’t need to do anything.

Progress in the Period

Preference transaction

In the previous reporting period, as part of our investigations, we compared the cash at bank book value in the directors' Statement of Affairs with the cash received from the pre-appointment bank account. We identified a transfer from the Company to PCF Group PLC relating to pre-liquidation intercompany debts, which we concluded was a preference transaction and needed to be reversed.

As a result, PCF Group PLC repaid £445,402 to the Company, less shared legal costs of £16,265.61.

Dentons UK and Middle East LLP advised on the transaction. Their approved Category 2 legal costs were shared between the Company and PCF Group PLC at £16,265.61 and £35,423.39 respectively.

The funds were received into the Company in the Period and the legal fees were also paid in the Period.

Insurance

We had previously been liaising with our insurers to understand if the Company would be entitled to make a claim on its pre-appointment insurance policy in order to recover amounts in relation to the DCA. Since the last report, it has been concluded that the Company would not be successful in a claim.

DCA

Following the Supreme Court's judgment on 1 August 2025, the FCA established the Motor Finance Consumer Redress Scheme on 30 March 2026 to provide compensation to motor finance customers who were treated unfairly by undisclosed or inadequately disclosed commission arrangements.

However, there are four challengers to the scheme (Consumer Voice Limited, represented by Courmacs Legal, Volkswagen Financial Services (UK) Limited, Mercedes-Benz Financial Services UK Limited and CA Auto Finance UK Limited (Credit Agricole Auto Finance)) in the Upper Tribunal. On 2 July 2026, the Tribunal partially suspended the scheme pending a hearing scheduled for either December 2026 or February 2027. As a result, firms are not currently required to calculate or pay compensation, and compensation payments are not expected to begin before 2027 if the scheme is upheld and no appeal follows.

We are currently liaising with the FCA to establish if we can make any progress in this insolvency, in a manner compliant with the redress scheme and ongoing Tribunal matters.

As the Company has potential creditor claims in relation to DCA, which is broad in scope and also covers high commission arrangements and contractual ties, the quantum of any potential dividend to Unsecured creditors (including contingent creditors), and the subordinated Unsecured creditor, remains uncertain as it is dependent on the outcome of the above and the ultimate resolution of contingent creditor claims arising from it. No distribution can be made until there is finality on this matter, and we will provide a further update to creditors once the position becomes clearer.

In the Period, we have continued to receive and maintain records of communications from customers in relation to DCA.

Bank interest

Our account is interest bearing and in the Period we have received £13.5k in interest.

Sundry debts

In the Period, we have received £40.8k, predominantly in relation to dividend payments from a debtor's insolvency proceedings.

Connected party transactions

No connected party transactions were made during the Period.

Statutory and compliance

VAT

The Company was deregistered for VAT with effect from 1 December 2023. Prior to the liquidation, the Company had a VAT recovery rate of 1%; accordingly, all VAT is irrecoverable as shown in the receipts and payments account as it is not cost effective to reclaim the minimal amount due.

Tax

In December 2025, the Joint Liquidators prepared and submitted the first corporation tax return for the period from 19 June 2024 to 18 June 2025 and no tax was payable.

Investigations and actions

Nothing has come to our attention during the Period to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and SIP 2.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments for the Period and cumulatively.

Our expenses

We set out in Appendix B a statement of the expenses we've incurred in the Period and an estimate of our future expenses.

Our fees

We set out in Appendix C an update on our fees and other related matters.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge our fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

https://www.icaew.com/-/media/corporate/files/regulations/insolvency/creditors-guides/2021/liquidations-creditor-fee-guide-1-april-2021.ashx

You can also get a copy free of charge by emailing the case team at uk_pcf_enquiries@pwc.com.

What we still need to do

- Issue communication to all potential claimants recorded in the liquidation once the FCA have reviewed the Company’s position with regards to the Motor Finance Consumer Redress Scheme.
- Dependent on the above, adjudicate and review the Unsecured creditors’ claims and make a first and final dividend to the creditors.
- Further annual and final tax returns.
- Proceed with the case closures and issue of the final report to the creditors.

Future reports and contact information

We expect to send our next report to creditors at the end of the liquidation or in about 12 months, whichever is sooner.

If you’ve got any questions, you can contact the Liquidators by emailing at uk_pcf_enquiries@pwc.com or Central Square, 29 Wellington Street, Leeds, LS1 4DL. Yours faithfully

Yours faithfully

Peter Dickens
Joint Liquidator

Appendix A: Receipts and payments

Statement of Affairs (£)	PCF Bank Limited	19 June 2024 to 18 June 2025 (£)	19 June 2025 to 18 June 2026 (£)	19 June 2024 to 18 June 2026 (£)
	Receipts			
	Investments & shares	7,546.48	-	7,546.48
	Bank interest	13,834.49	13,546.68	27,381.17
	Book debts	12,669.81	-	12,669.81
	Sundry debts	-	40,814.30	40,814.30
	Preference monies from PCF Group PLC	-	445,402.00	445,402.00
6,343	Accrued interest receivable	-	-	-
435,412	Cash in hand	393,071.47	-	393,071.47
	Total Receipts	**427,122.25**	**499,762.98**	**926,885.23**
	Payments			
	Contribution to preference costs	-	(16,265.61)	(16,265.61)
	Professional fees	-	(200.00)	(200.00)
	Office holders' fees	-	(476,000.00)	(476,000.00)
	Office holders' expenses	-	(375.22)	(375.22)
	Legal fees & expenses	(15,152.40)	(62,097.53)	(77,249.93)
	Mail redirection	(387.50)	-	(387.50)
	Irrecoverable VAT	(3,147.58)	(107,734.56)	(110,882.14)
	Statutory advertising	(198.00)	-	(198.00)
	Total payments	**(18,885.48)**	**(662,672.92)**	**(681,558.40)**
	Cash at Bank	**408,236.77**	**(162,909.94)**	**245,326.83**

Notes to the receipts and payments account

- Amounts shown exclude VAT, which is irrecoverable due to a 1% recovery rate.
- Funds are held in an interest bearing bank account with Barclays Bank Plc.
- Office holders’ fees were approved by the Unsecured creditors on a time costs basis on 17 June 2025.
- Office holders’ expenses taken are split as follows: Category 1 - £333.50, Category 2 - £41.72.

Appendix B: Expenses

Expenses are amounts properly payable by us as Liquidators from the estate, but excludes our fees and distributions to creditors.

These include disbursements which are expenses met by and reimbursed to an Office holder in connection with an insolvency appointment.

Expenses fall into two categories:

Expense	SIP 9 definition
Category 1	Payments to persons providing the service to which the expense relates who are not an associate of the Office holder.
Category 2	Payments to our Firm or our associates or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

We don't need approval from creditors to draw Category 1 expenses as these have all been provided by third parties but we do need approval to draw Category 2 expenses. The body of creditors who approve our fees (in this case the Unsecured creditors) also has the responsibility for agreeing the basis for payment of Category 2 expenses.

The rate for services provided by the Liquidators' own Firm (Category 2 expenses) may periodically rise (for example to cover annual inflationary cost increases) over the period of the liquidation. All other disbursements to be charged at cost.

The following table provides a breakdown of the Category 2 expenses incurred in the Period, together with details of the Category 1 expenses that have been incurred as disbursements by PwC and will be recharged to the case.

Category	Provided by	Basis of cost	Costs incurred (£)
1	Iron Mountain	*Archiving Cost*	10.35
Total for the Period			**10.35**
Brought forward as at 19 June 2025			**481.66**
Total			**492.01**

The expense policy set out above has been approved by the Unsecured creditors.

The table below provides details of all the expenses incurred in the liquidation.

Nature of expenses	Brought forward at 19 June 2025 (£)	Incurred in the Period under review (£)	Cumulative (£)	Estimated future (£)	Anticipated total (£)	Initial Estimate (£)	Variance (£)
Statutory advertising	198.00	-	198.00	99.00	297.00	297.00	-
Mail redirection	387.50	-	387.50	-	387.50	387.50	-
Legal fees and disbursements	15,152.40	66,461.53	81,613.93	10,000.00	91,613.93	25,152.40	(66,461.53)
Legal fees - category 2 shared expense	16,265.61	-	16,265.61	-	16,265.61	16,265.61	-
Professional fees	-	200.00	200.00	-	200.00	-	(200.00)
Disbursements	481.66	10.35	492.01	1,921.21	2,413.22	2,413.22	-
Irrecoverable VAT*	3,147.58	107,734.56	110,882.14	3,276.84	114,158.98	-	(114,158.98)
Grand Total	**35,832.75**	**174,406.44**	**210,039.19**	**15,297.05**	**225,336.24**	**35,632.75**	**(180,164.93)**

*Please note the inclusion of irrecoverable VAT.

The table excludes any potential tax liabilities that we may need to pay as a liquidation expense because amounts becoming due will depend on the position at the end of the tax accounting period.

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the Period and the total paid to date.

The significant variance is due to the legal advice required for our work reviewing and responding to the FCA Motor Finance Consumer Redress Scheme and on the insurance claim and the VAT that is irrecoverable as explained in the report.

Details of subcontracted work

No work that would normally be undertaken by the Joint Administrators or their staff has been subcontracted during the Period. Accordingly, no subcontractor costs have been incurred or are anticipated.

Payments to associates

No payments have been made to associates or any party who could reasonably be perceived as an associate during the Period.

Legal and other professional firms

We instructed the following professionals on this case.

Relevant parties have been chosen due to their specific area of expertise or technical knowledge and payments to those parties are based on standard commercial terms.

Service provided	Name of firm	Reason selected	Basis of fees
Insurance ● Open Cover Insurance ● Advice in relation to potential insurance claim for DCA	Specialist Risk Insurance Solutions Ltd	Industry knowledge and insolvency expertise	Policy cover cost and contingency basis
Legal advice in relation to: ● The appointment of Liquidators ● General advice as required ● Legal advice in relation to the FCA consumer redress scheme and the potential insurance claim	Dentons UK and Middle East LLP	Industry knowledge and insolvency experience	Time costs and expenses The Company also met an element of the legal fees paid by PCF Group PLC as a shared cost - this was approved by the Unsecured creditors of both PCF Group PLC and the Company

Appendix C: Remuneration update

Our fees were approved on a time costs basis by the Unsecured creditors on 17 June 2025. This approval allows us to draw fees by reference to the time properly given by us and our staff in dealing with the liquidation.

The time cost charges incurred in the Period are £183,224.08, and in total from appointment to 18 June 2026 are £588,749 (not including the Excluded Work – see below). This amount does not necessarily reflect how much we will eventually draw as total fees.

To date we have taken total remuneration of £476,000.

In our periodic progress reports, we keep creditors updated on how our fees are compared to the fees estimate of £564,229 included in our remuneration report for the purpose of obtaining approval for our fees. If fees are likely to exceed this fee estimate, we will need further approval to draw those fees.

In line with our fee approval and remuneration report there are a number of unknowns in relation to the timing and resulting actions of the FCA Motor Finance Consumer Redress Scheme that will impact the work we are required to do. As such we excluded this work from our fees estimate and will consider seeking approval for this work at an appropriate time. The Excluded Work as defined in our remuneration report is as follows:

> *Any time, from 25 April 2025, spent responding to the FCA or as a result of the upcoming ruling in relation to DCA, including liaising with the FCA, monitoring claims from the DCA claimants and implementing any redress scheme by way of distributions to claimants as Unsecured creditors.*

We set out later in this Appendix details of our work to date and anticipated future work.

Time cost analysis for the Period from 19 June 2025 to 18 June 2026

Category of work	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Offshore Professional	Support Staff	Total hours	Total cost (£)	Average rate per hour
Administration	0.30	-	0.60	2.90	5.25	5.40	18.30	-	**32.75**	**17,927.43**	547.40
Assets	2.50	-	2.50	9.40	20.00	1.25	-	-	**35.65**	**21,642.50**	607.08
Creditors	-	-	5.70	185.30	141.15	87.00	-	-	**419.15**	**84,916.00**	202.59
Statutory and compliance	9.70	-	4.95	17.15	27.05	30.50	0.10	-	**89.45**	**54,624.15**	610.67
Tax and VAT	-	-	1.90	0.85	0.35	-	-	1.50	**4.60**	**4,114.00**	894.35
Total	**12.50**	**-**	**15.65**	**215.60**	**193.80**	**124.15**	**18.40**	**1.50**	**581.60**	**183,224.08**	**315.03**

Please be advised that in the DCA complainants and FCA/DCA workstream, time costs of £93,393.20 have been incurred in the Period in relation to Excluded Work as defined above. This amount is not included in the analysis above.

The comparison to our initial estimate is included on the following page.

Time costs incurred in the liquidation to 18 June 2026 with comparison to initial estimate

	To 18 June 2025			19 June 2025 to 18 June 2026			Cumulative			Initial estimate			Variance	
Work classification	**Total hours**	**Total cost (£)**	**Average hourly rate (£)**	**Total hours**	**Total cost (£)**	**Average hourly rate (£)**	**Total hours**	**Total cost (£)**	**Average hourly rate (£)**	**Total hours**	**Total cost (£)**	**Average hourly rate (£)**	**Total hours**	**Total cost (£)**
Administration	100	60,819	611	33	17,927	547	132	78,746	595	127	78,320	616	(5)	(427)
Assets	13	13,347	1,068	36	21,643	607	48	34,989	727	10	9,279	947	(38)	(25,711)
Creditors	122	78,933	646	419	84,916	203	541	163,849	303	212	137,006	647	(330)	(26,843)
DCA complainants and FCA/DCA workstream	378	116,494	308	-	-	-	378	116,494	308	513	139,137	271	135	22,643
Statutory & Compliance	210	120,652	573	89	54,624	611	300	175,277	585	283	172,261	608	(17)	(3,015)
Tax & VAT	15	15,280	1,005	5	4,114	894	20	19,394	979	25	28,227	1,136	5	8,834
Total	**838**	**405,525**	**484**	**582**	**183,224**	**315**	**1,419**	**588,749**	**415**	**1,170**	**564,230**	**482**	**(250)**	**(24,519)**

In relation to the DCA complaints workstream, time costs of £x have been incurred to 18 June 2026 in relation to Excluded Work. This amount is not included in the analysis above.

The variance is predominantly due to the workstreams in relation to the assets and the creditors. The former mainly due to the work required to review and conclude the potential insurance claim, and the latter due to the volume of creditor requests and communications.

Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the liquidation. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the liquidation (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge-out rate which is reviewed from time to time. For the avoidance of doubt, work carried out by our cashiers, support and secretarial staff is charged on a time costs basis and is included in the analysis of hourly rates charged by partners or other staff members. Time is charged in three minute units (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the liquidation.

Grade	Up to 30 June 2025 (£)	From 1 July 2025 (£)
Partner	1,050	1,110
Appointment taking director	1,000	1,040
Director (not appointee)	950	980
Assistant director	920	-
Senior manager	875	900
Manager	750	790
Senior associate	575	600
Associate	400	420
Support staff	160	-
Offshore professionals	400	420

We call on colleagues such as those in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. We may also utilise Technology Specialists from the wider Restructuring team or other parts of our Firm. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Grade	Up to 31 March 2026 (£)	From 1 April 2026 (£)
Partner	1,680	2,065
Director	1,540	1,910
Senior manager	1,425	1,560
Manager	860	1,135
Senior associate/consultant	640	805
Associate/assistant consultant	345	440

Support staff	190	-
Offshore professionals	190	-

In common with many professional firms, our scale rates may rise eg to cover annual inflationary cost increases.

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the liquidation where the relationship could give rise to a conflict of interest.

Work in relation to the time costs basis of our fees

Our work in the Period

Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work.

Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Accounting and Treasury (Administration)		
• Dealing with receipts, payments and journals • Carrying out bank reconciliations and managing funds	• To ensure proper stewardship of funds • For orderly case management	• Necessary administrative purposes and for complying with statutory requirements
Assets		
• Reviewing sundry debt recoveries • Liaising with post-appointment insurers regarding the potential insurance claim • Liaising with legal advisors on insurance matters • Receiving net preference monies	• To realise funds for the benefit of creditors	• To recover the maximum value of assets
Creditors		
Creditor enquiries and communications • Receiving and following up creditor enquiries via telephone, email and post • Adding new creditors to the system of record **Unsecured claims** • Receiving proofs of debt and maintaining register • Liaising with subordinated creditor	• To provide creditors with information requested	• Work is required by statute and for proper management of the case
Statutory and Compliance		
• Conducting periodic case reviews • Drafting and finalising annual progress reports to creditors and Registrar of Companies • Updating checklists and diary management system • Corresponding with regulatory bodies regarding ongoing compliance matters	• To comply with statutory requirements	• Required by statute
Strategy and Planning (Administration)		
• Reviewing fees and monitoring costs • Filing of documents and maintaining case records • Holding team meetings and discussions regarding status of liquidation	• To ensure proper stewardship of funds • For orderly case management	• Necessary administrative purposes and for complying with statutory requirements

Tax and VAT		
Tax • Liaising with tax advisors regarding tax returns and compliance • Preparing and filing tax return for the liquidation period to 18 June 2025 **VAT** • Reviewing VAT position and VAT strategy	• Necessary for administrative purposes and for complying with statutory requirements	• Required by statute

Our previous work

As this progress report is the first to be issued following the approval of the basis of our fees, below are details of work carried out by the Liquidators in the previous reporting period.

Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Accounting and Treasury (Administration)		
• Opening and closing bank accounts • Dealing with receipts, payments and journals • Carrying out bank reconciliations and managing funds • Corresponding with bank regarding specific transfers • Performing independent verifications of suppliers' bank details in order to process payments	• To ensure proper stewardship of funds • For orderly case management	• Necessary for administrative purposes and for complying with statutory requirements
Assets		
• Collection of cash from pre-appointment bank accounts • Realisations received from external creditor distributions in relation to book debts and refunds • Work carried out with regards to the preference monies • Liaising with post appointment insurers regarding cover required • Receiving funds into account relating to shareholder distribution received from Azule Limited	• To realise funds for the benefit of creditors	• To recover the maximum value of assets
Creditors		
• Setting up a dedicated website for delivery of initial and ongoing communications and reports • Receiving and following up creditor enquiries via telephone, email and post • Reviewing and preparing correspondence to creditors and their representatives • Responding to customer enquiries via telephone, email and post • Liaising with subordinated creditor and providing case updates **DCA Complainants (tasks undertaken prior to 25 April 2025)**	• To provide creditors with information requested • To distribute funds to creditors, where applicable	• Work is required by statute and for proper management of the case

• Data extraction from company records on appointment • Dealing with enquiries on appointment relation to the DCA • Managing initial communications to potential DCA complainants via phone, email and post • Corresponding on a regular basis with incoming DCA enquiries via phone, email and post • Managing communications with external parties regarding potential DCA complainants • Ongoing communication with FOS and the Insolvency Service regarding potential DCA complaints • Dealing with data information requests via phone and post • Keeping records up to date for all potential DCA creditors. Since appointment c.700 potential claimants have been recorded. Any costs after the date of this report are classed as excluded work for the purpose of our fee approval		
Employees and Pension		
• Initial pension notifications • Pension checks carried out on appointment • Review of pension information received	• For proper management of the case	• Required by statute
Investigations		
• Preparing comparative financial statements and deficiency statement • Reviewing books and records • Collection of large volume of electronic data in relation to request from external investigatory party and storage of this • Reviewing specific transactions and liaising with directors regarding certain transactions • Preparing investigation file and lodging findings with the Department for Business, Innovation and Skills	• To comply with statutory requirements	• Required by statute
Statutory and Compliance		
• Preparing and issuing all necessary initial letters and notices regarding the liquidation and our appointment • Collecting Companies' electronic books and records where not related to investigatory work • Conducting case reviews after the first month, then every six months • Preparing annual report to creditors • Filing of documents • Updating checklists and diary management system • Preparing and circulating to creditors remuneration report giving details of the work we expect to carry out during the case, our fees estimate and the expenses that are likely to be incurred • Preparing documents and information for the purpose of obtaining approval of category 2 disbursements, shared costs and other matters in the liquidation	• To comply with statutory requirements	• Required by statute

Strategy and Planning (Administration)		
• Completing tasks relating to job acceptance • Preparing fee budgets, reviewing fees and monitoring costs • Filing of documents • Holding team meetings and discussions regarding status of liquidation • Completing case reviews • Completing tasks relating to job acceptance • Filing of documents	• To ensure proper stewardship of funds • For orderly case management	• Necessary for administrative purposes and for complying with statutory requirements
Tax and VAT		
• Gathering information for the initial tax review • Carrying out tax review and subsequent enquiries • Liaising with pre-appointment tax advisors regarding pre-appointment tax returns • Preparing tax computations • Liaising with HMRC • Gathering information for the initial VAT review • Carrying out VAT review and subsequent enquiries • Preparing VAT returns	• Necessary for administrative purposes and for complying with statutory requirements	• Required by statute

Our future work

We still need to do the following work in the liquidation.

Work to be undertaken	Estimated cost (£)	What, if any, financial benefit the work will provide to creditors OR whether it is required by statute
Accounting and treasury		
• Ongoing management of bank accounts and processing of receipts and payments • Carrying out bank reconciliations and managing remaining funds	• Uncertain as dependent on FCA Motor Vehicle Consumer Redress Scheme decisions and strategy	• Necessary for administrative purposes and for complying with statutory requirements
Creditors		
• Continuing to respond to ongoing creditor and customer enquiries • Concluding claims strategy and communicating strategy to creditors • Finalising unsecured claims adjudication • Issuing Notice of Intended Dividend • Distribution preparation and calculating dividend • Declaration and payment of Unsecured creditor distribution (and potential subordinated Unsecured creditor distribution) • Transfer of unclaimed dividends to the Insolvency Service	• Uncertain as dependent on FCA Motor Vehicle Consumer Redress Scheme decisions and strategy	• To provide creditors with information requested • To distribute funds to creditors, where applicable • Work is required by statute and for proper management of the case
Pensions		
• Concluding any remaining pension compliance matters	• £500	• For proper management of the case • Required by statute
Statutory and Compliance		
• Conducting periodic and final case reviews • Preparation and delivering of future annual and final progress reports to creditors and the Registrar of Companies	• £25,000	• To comply with statutory requirements • Required by statute
Strategy and Planning		
• Ongoing case progression meetings • Monitoring costs against budgets and adjusting strategy accordingly	• £5,000	• Necessary for administrative purposes and for complying with statutory requirements
Tax		

• Completing annual and final tax returns	• £6,000	• Necessary for administrative purposes and for complying with statutory requirements
Closure		
∉ Completing closure checklist ∉ Closing down internal systems	∉ £6,000	∉ Required by statute ∉ To conclude the liquidation in an orderly manner

Tasks in relation to the Excluded Work

Our work in the Period

Any costs incurred after the date of our remuneration report are classed as excluded work and are not contained within our fee approval.

Category of Work	General description	Work to be undertaken	What, if any, financial benefit the work will provide to creditors OR whether it is required by statute
DCA complainants and FCA/DCA workstream	DCA Litigation	• Ongoing communication with FOS and the Insolvency Service regarding potential DCA complaints • Managing communications to potential DCA complainants via phone, email and post • Managing communications with external parties regarding potential DCA complainants • Reviewing and responding to DCA-related documents and information requests • Keeping records up to date for all potential DCA creditors. Since appointment c.5,000 potential claimants have been recorded. • Maintaining and updating complaint and finance claim trackers • Potentially seeking approval for fees in relation to the excluded work • Monitoring the FCA investigations • Liaising with legal advisors and the FCA regarding the consumer redress strategy • Monitoring the FCA investigations • Liaising with legal advisors and the FCA regarding the consumer redress strategy	● Required by statute

Our future work

Category of Work	General description	Work to be undertaken	Estimated cost (£)	What, if any, financial benefit the work will provide to creditors OR whether it is required by statute
DCA complainants and FCA/DCA workstream	DCA Litigation	• Data extraction from company records on appointment • Managing communications to potential DCA complainants via phone, email and post • Progressing and concluding outstanding DCA complaints and related litigation matters • Managing communications with external parties regarding potential DCA complainants • Dealing with data information requests via phone and post • Keeping records up to date for all potential DCA creditors • Potentially seeking approval for fees in relation to the Excluded Work • Liaising with legal advisors and the FCA regarding the consumer redress strategy • Concluding claims strategy and communicating strategy to creditors • Unsecured creditor distribution process – see Creditors section above on page 23	• Uncertain as dependent on FCA decision	• Required by statute