Neutral Citation Number: [2026] EWHC 1990 (Ch)

Case No: BR-2020-000484

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
INSOLVENCY AND COMPANIES LIST (ChD)

The Rolls Building
7 Rolls Buildings
Fetter Lane, London
EC4A 1NL

Date: Tuesday 19 May 2026

IN THE MATTER OF ANTON ALEXANDER PALMER
AND IN THE MATTER OF THE INSOLVENCY ACT 1986

Before:

INSOLVENCY AND COMPANIES COURT JUDGE PRENTIS

- -

Between:

LIBERTY LEASING LIMITED	**Applicant**
- and -	
(1) ANTON ALEXANDER PALMER **(2) ASHLEIGH BALL** **(3) JESSICA ROSE** **(4) CANDICE MCDONALD** **(5) POSITIVE ASPIRATIONS SUPPORT SERVICES LTD** **(6) THE OFFICIAL RECEIVER (as Trustee in Bankruptcy of Anton Alexander Palmer)**	**Respondents**

- -

MR SAMUEL HODGE, Counsel (instructed by **Troutman Pepper Locke**) for the **Applicant**
MR CRAIG PARRETT, Solicitor (of **Payne Hicks Beach**) for the **First Respondent**
14-15, 18-19 May 2026.

- -

Approved Judgment

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2nd Floor, Quality House, 6-9 Quality Court, Chancery Lane, London WC2A 1HP.
Telephone No: 020 7067 2900. DX 410 LDE
Email: info@martenwalshcherer.com
Web: www.martenwalshcherer.com

ICC JUDGE PRENTIS:

1. On 23 September 2024, Anton Alexander Palmer was made bankrupt on a petition presented on 30 September 2020 by Trinity House Paintings Ltd. That petition was in a sum of just over £2.5M and was made up of the principal only of loans made between 14 May 2018 and 9 April 2020.

2. By the time of the Bankruptcy Order there had been substitution on the petition, that on 7 July 2022 by Moneywise Wealth Management Limited. Its debt was £433,000-odd for three short-term loans entered into by Mr Palmer between 16 January 2015 and 7 September of that year. There was then a Settlement Agreement on 24 August 2018 by which they were to be repaid by the last date of that year.

3. On 7 January 2025, the Official Receiver gave notice to creditors of a decision procedure, under Rule 15.8 of the Insolvency (England and Wales) Rules 2016; and also a notice inviting nominations for Trustee, that under Rule 10.67 and section 298 of the Insolvency Act 1986. He did so at the behest of (at the least) Liberty Leasing Limited, whose debt was then in the sum of around £1.1M.

4. On 21 January, the Official Receiver circulated proof of debt forms. They were to be returned by 30 January, which was the day before the virtual meeting. At that meeting, there was a substantial vote in favour of the Officer Receiver remaining as Trustee in Bankruptcy. Creditors in favour amounted to over £22M. Those in opposition and in favour of one Steven Illes (although there were other nominations as well) amounted to £13.6M; and among them was Liberty Leasing.

5. On 20 February 2025, Liberty issued this application under Rule 15.35, to seek to reverse the Official Receiver's decision to admit the proofs of debt of the Second to Fifth Respondents. The First Respondent to the application is Mr Palmer; second, was Ashleigh Ball; third, Jessica Rose; fourth, Dr Candice McDonald; and fifth, Positive Aspirations Support Services Limited; the Official Receiver makes up the last Respondent.

6. Those joined were all those who had voted in favour of the Official Receiver remaining in office.

7. Although not today, Mr Palmer has been represented by Craig Parrett, solicitor, who in closing yesterday and in the absence of the other Respondents (who have come in and out, and none of whom has made any substantial representation, whether orally or in writing) agreed with Mr Hodge (who has appeared for Liberty), the law on 15.35.

8. By Rule 15.35(1), it is provided that:

> "(1) A decision of the convener or chair under this Chapter is subject to appeal to the court by a creditor…"

9. And by subrule (3), if there is a reversing of that decision:

> "(3) … or votes are declared invalid, the court may order another decision procedure to be initiated or make such order as it thinks just..."

10. Mr Parrett and Mr Hodge agreed, as well, that the law was set out accurately by Barber J, in the recent case of *Re Five Delta Limited* [2025] BPIR 917, at paragraphs 59 through to 67, but in particular paragraphs 65 and 66.

11. Thus, as per paragraph 65:

> "A judge hearing the appeal, under Rule 15.35(1) should form his (or her) own view, based on the evidence and arguments advanced in court and not merely review the decision of the Chair of the decision procedure."

12. And 66:

> "The test to be applied by the Court is whether the indebtedness is owed on a balance of probabilities."

13. Mr Parrett did suggest that the threshold for the creditor on whom the burden of proof lies is low. But that is not an epithet which appears in the rules, and is not, in my view, an accurate description of the law. It is for the Respondent creditor to establish their debt on the balance of probabilities.

14. Neither do I think that I can draw anything from how the Official Receiver treated these debts. Mr Parrett sought to raise an argument that they had been admitted by the Official Receiver and therefore, in some degree, validated. Even in an ordinary case, that would not seem to me to be a correct approach, given what this Court is meant to be doing. But that is particularly so in this case because, for each of the Respondents, the Official Receiver admitted their proof but marked it as objected to. I should add that it also did the same in respect of Moneywise Management, who actually wanted to appoint Neil Bennett; and THP Limited, who are supportive of the Illes' nomination.

15. The Official Receiver's approach – which appears to me to be without reproach – is set out in a report from Daniel Cullen, in which he explains that:

> ""In considering the proofs of debt submitted, I was in some doubt as to whether to accept the claims [that is, of the Respondents] largely due to the levels of interest claimed. It appeared to me that apparently no payments had been made to reduce the debts and no efforts had been made by the lenders to recover their monies whilst interest had accrued over a significant period of time. On balance I determined I equally did not have sufficient evidence to reject the proofs [of debt] in whole or in part. As the decision making process had been convened as a decision by correspondence I had no ability under the Rules to refer my decision. I therefore followed established case law and admitted the proofs of debt for voting purposes and marked each of them as objected to…"”

16. As I say, that procedure carried through by the Official Receiver was correct and in accordance with the established case law.

17. What I do accept, among Mr Parrett's arguments, is that the Court's assessment of the Respondent's evidence and their ability to prove their debts must be an assessment made on all the evidence before the Court. And so, for example, it would not be fatal in any particular case were a lender to be unable to have on hand a lending document which set out the terms of the loan.

18. Shortly before the Bankruptcy Order, Mr Palmer had circulated a voluntary arrangement proposal to his creditors. He did so on 4 September 2024, and his nominee was one Adam Nakar. Those proposals, the truth to which Mr Palmer deposes, provide some additional personal background to what may be gleaned from what I have already described in the debts of the two petitioners.

19. He confirmed, in standard form, that he wanted to propose to his creditors an IVA, "in order to enter into a composition with all my creditors in full and final settlement of my debts". He confirmed his insolvency:

> "The reason for my financial position [he said] stems from my divorce a number of years ago, followed by being a director of a number of companies providing care services that failed during the Covid pandemic. This put huge financial pressure on me and meant that debts I would normally have paid went unpaid. [So that appears to be from a period from 2020.] I borrowed money from lenders on short-term loans and at high rates of interest but I was unable to pay and the rates of interest increased on default."

20. I cannot speak to the last phrase, but it may be noted from Moneywise's petition debt that, actually, Mr Palmer was from at least 2015 borrowing money on short-term loans at high rates of interest. That is because the Moneywise interest rate was 2% per month compound.

21. The proposal was to the benefit of the creditors because it was intended that they would thereby receive – this is the unsecured creditors, there were not any secured or preferentials – 4.28p in the pound, as opposed to zero in bankruptcy. That was to be achieved by a payment of £500,000, which was payable over eight months from approval, by an unidentified third party. "The third party is aware of this proposal", he said, "has been contacted by my nominee and has met him and understands the commitment being made in this regard." We know no more at the end of this trial as to who that third party was.

22. He provided further individual background in section 2 of the proposal:

> "The following history has been provided by the debtor and edited with approval by the nominee. There are three key reasons for my current financial predicament [he said]: first, I went through an extremely messy divorce, in 2013 to 2014, only finalised in 2018. That resulted in significant legal costs, paid for out of a number of properties I owned at the time. I also started to take out loans at this time, to finance my living costs during the period. While it also left

> me reliant on loans for my ongoing businesses and exposed to potential claims if anything were to go wrong."

23. Also within this first key reason is that in February 2017 a Bankruptcy Petition had been presented against Mr Palmer, which was dismissed in August 2018. That was following the conclusion of the divorce proceedings. More details are not known.

24. The second key reason was that in 2018, he got involved in a "costly legal battle over the purchase of a company and its properties". Again, he borrowed significant funds to fund the purchase and initial operations of the company, but those funds were largely spent on legal costs.

> "This became critical when I lost the case and was forced to the pay the other side's costs, as well. I was, therefore, left with debts but no new enterprise to service them. [I do not quite know how that ties in with the care home shutting in 2020.] Some of the lenders and friends I borrowed from at this time remained significant creditors of mine."

25. And then the third reason is:

> "A number of my care companies failed during, or as a result of, the Covid pandemic."

26. He says that:

> "This all resulted in huge financial pressure on me and meant that debts I would normally have paid went unpaid. [That is language we have heard earlier, as well. And then, as I think not unimportantly, this:] I have not worked for over three years since the businesses failed. [And so Mr Palmer has not worked since – well, let us say at least August 2021. He goes on:] I borrowed money from friends and family to live [and then references the short-term loans again, references to his six children and to the Bankruptcy Petition. He said he first sought personal insolvency advice in July 2022, with a view to exploring the option of an IVA.] Because I was not working, and had no source of income, this was going to have to be through a third-party lump sum offer".

27. From August 2022 until February 2024 – and this is some explanation for the long duration of the petition – he was in a mental health breathing space moratorium.

28. Mr Palmer confirmed that the contents of his proposal was accurate, true and correct, to the best of his knowledge and belief:

> "And I acknowledge that although I have received assistance in the drafting of the proposal, its contents remain my sole responsibility and not the responsibility of anyone else, including the nominee…".
>
> He confirmed as well that his attention had been drawn to section 262A of the Insolvency Act, which states that "I commit an offence

> if I make any false representations or commit any other fraud for the purpose of obtaining the approval of my creditors to this proposal."

29. As reported to the Court by Mr Nakar on 24 September, at the virtual meeting on 20 September creditors rejected the proposal. Those voting for it were in the sum of £1.8M and against it £2.7M, and there were £2.7M of votes uncast as well.

30. In favour of the proposals was each of the Respondents, together (it must be said) with some other institutional and, therefore, independent creditors, being Cheltenham Borough Council (they were owed £5,000); Hereford Council (owed £6,000); and solicitors, Watson Farley and Williams (who were owed £126,000). Liberty, in fact, did not vote.

31. It is Liberty's large and opening point on its application that there is an enormous discrepancy between the amounts for which the Respondents voted in this voluntary arrangement and the amount of their votes at the January meeting.

32. The First Respondent, to whom I turn, is Ashleigh Ball. She is the partner of Mr Palmer, with whom she has at least one child. They have been in a relationship from 2013, having known each other for about 10 years before that.

33. The largest reason for the different size of the votes at the January meeting from that on the voluntary arrangement was her proof of debt. She claimed £18,522,917-odd. Of that, interest was £18,019,917-odd.

34. Looking at her form, box 5 was, "Details of how and when the debt was incurred. If you need more space, attach a continuation sheet to this form." There was no such sheet. What was written was this, "Anton borrowed £503,000 in 2014, at 3% per month compounded." She confirmed there was no security.

35. And as to question 8 and its attached box, "Details of any document, by reference to which the debt can be substantiated", there was simply a dash; and, therefore, no document was identified.

36. There was also a dash against box 12, "Position with or relation to creditor". That, obviously, was not right because, as she had done against the equivalent box 13 in the IVA proof of debt, she ought to have filled in the word, "partner".

37. Her IVA proof of debt identified the total amount of claim, including VAT and outstanding uncapitalised interest, as the round sum of £500,000.

38. The next box asked for, "Statement of the amount outstanding uncapitalised interest within that", and that was £100,000. In other words, there was £400,000 principal and £100,000 interest.

39. "Details of any documents by reference to which a debt could be substantiated. Please, attach copies"- this is box 6- "Bank statements", no copies attached.

40. Box 7, "Particulars of how and when the debt was incurred by the debtor." "Anton borrowed the money in June 2014."

41. These were, therefore, notably reduced figures, compared with the January meeting proof of debt; and very round figures as well.

42. But the roundness was reflected in Mr Palmer's position, expressed through his proposal. He had confirmed that, under Rule 8.3(f)(ii), "I have two associated creditors, being my current partner and her sister, owed £671,000,between them." They were to rank equally for dividends with all other unsecured creditors. "None have been approached with regards to the possibility of them waiving their rights to dividends." And therefore, on the face of it, this was the full amount which Mr Palmer thought that they were entitled to.

43. Just looking ahead, the sister is the Third Respondent to this application, Jessica Rose.

44. The £671,000 was not an error, in that it was repeated in the Estimated Statement of Affairs and in the List of Creditors, the detail of those identified in the Statement of Affairs. Ms Ball was attributed a debt of £410,000 and Ms Rose, £261,000. So again, £671,000. The Statement of Affairs was subject to a separate statement of truth from Mr Palmer.

45. The voluntary arrangement is, therefore, compelling evidence of what Mr Palmer considered his debts to Ms Ball to be, as at September 2024.

46. Mr Palmer has provided evidence in this application. As I said earlier, he was the one Respondent to be (at least at times) represented. That evidence, a statement of 19 March 2025, said that:

> "Ashleigh has lent to me a total of £503,000. £400,000 was lent to me on 23 June 2014 and a copy of a letter signed at the time is at page 1 [that is off his exhibit]. Ashleigh previously lent me a sum of £103,000. If I can secure bank statements demonstrating these transactions, I will exhibit them to a further witness statement."

47. With one exception, no bank statements have been provided by Mr Palmer, although it was a continued theme of his in evidence that, of course, the Official Receiver had his bank statements. That itself shows that they are available.

48. He goes on to say that:

> "It was agreed at the time that if I could repay the sum within one month [it is not quite clear which sum he is referring to] then no interest would be charged. However, if I could not repay within one month, then it was agreed that any sums outstanding would be liable to 3% compound interest until repaid. [And he now says that] The £18.5M claim – all of which, except £503,000 is interest – is as agreed. So far as I am concerned, the sum to Ashleigh is due in full. Although Ashleigh shares the same address as me, we are not married, or in any form of business partnership [which seems rather to play down the acknowledged relationship between the two]."

49. The letter to which he refers, of 23 June 2014, was signed apparently on that date by himself and Ms Ball.

50. They were already in a relationship, as we have heard, which makes the language used most curious:

> "Dear Ashleigh,
>
> Firstly, I would like to reiterate how grateful I am to have your support during this difficult time. [That does not sound to me like words within an intimate relationship, I am afraid.] You have kindly agreed to lend me a further £400,000 today [and then this curious phrase:] which is in addition to any monies you have lent me. Following our verbal agreement, I thought it makes sense to get something in writing. For completeness, we have both agreed that this £400,000 is due for repayment within one month of this agreement, interest-free. If it is not repaid within one month, then all monies lent will be liable to 3% interest per month, compounded on the total amount, until it is repaid. In the unlikely event of my death before it is repaid, then this letter is to be shown, and you are to be repaid from the proceeds of my estate. [And this letter, signed off between lovers] Yours sincerely".

51. It is tolerably clear, therefore, that this was a letter written with a view to third parties reading it. It is notable that there is no identification in it specifically of the £103,000. All it talks about is the £400,000.

52. In cross-examination, Mr Palmer said that he thought that he could repay the £400,000 within a month because he was refinancing assets at the time. He probably was. That is probably true of many years of his life. But those applications were rejected.

53. Ms Ball's initial witness statement is desperately short. She confirms the beginning of the relationship in 2013.

> "I loaned a total of £503,000 to Anton during 2014 and we signed an agreement. I attach the agreement [that is this letter]…Mine and Anton's finances have always been separate [a not unimportant point]. We have never shared a bank account or had a joint bank account. We are not married. We have different surnames. We have also lived apart for periods of time…On 16 January 2024, I supplied to the Official Receiver, Mr Hartley, information requested to support my proof of debt plus interest. Anton owes me £18M."

54. Thus, the only justification for this claimed principal of £503,000 is the 23 June 2014 letter.

55. In cross-examination, Ms Ball said that she had loaned these large sums to Mr Palmer in 2014 not, as perhaps might have been expected, because they were in a relationship, but because she thought that he would be able to repay because he was a high-net worth individual. And there was indeed evidence that he was

somebody to whom a lot of offers of finance would be made, including, for example, high-end cars: a Range Rover was referred to and a G-Wagen.

56. The question then arises why, if Ms Ball was owed £18M, that was not mentioned in the IVA, and why she did not seek to prove for it.

57. She could not remember if she had read the proposal. She had not seen the reference to associated creditors, but said that she was later told that it was wrong and actually they were not associated. That was evidence which Mr Palmer also gave, and speaks to the collusion, at some point, between himself and Ms Ball, and (as we will hear) others, as well, before this trial. This point is, anyway, an irrelevant one.

58. As with Mr Palmer, Ms Ball was keen to play down the importance of the voluntary arrangement, or at least the formalities of it.

59. Her proof of debt, she said, was "a paperwork exercise". "The voluntary arrangement itself was really rushed." The figures in her proof of debt were "off the top of [her] head". "The £100,000, which was the interest figure, was an arbitrary, rushed figure."

60. Those are rather interesting remarks, as it seems to me, because here is Ms Ball asked to set out what her debt is. And what first comes to her mind is a principal sum of £400,000, together with £100,000 interest. It is light years away from having in one's mind, "I have got 3% compound interest a month, it must be millions".

61. Later, she gave a slightly different account, and not one which tells to her credit: Mr Palmer had told her to put down basics and to be reasonable, as if it included the interest figure no one would approve the voluntary arrangement.

62. What tells against this is that, as we have already heard, Mr Palmer himself had made no efforts to ask Ms Ball or Ms Rose to compromise their debts, when he too maintains that his partner was entitled to £18M, being the 3% compounded interest per month. That is what he says.

63. He agreed, as he had to, that the voluntary arrangement made no reference to compounded interest, indeed for any Respondent.

64. He tried to pass the figures off by saying that the associated creditors were now, on advice he had received, not associated: utterly irrelevant.

65. He said, as must have been the case given the timings, that he was under pressure to get the proposals out.

66. And then he gave curious evidence, which also was reflected by Ms Ball, that in some way this was the first stage in bankruptcy, which would (as I understood it) later pass through some other and more detailed evidential layers. In other words there was, in some way, no obligation to state the debt in full because you would get it right later on. No details have been given of that rather astonishing proposition.

67. Mr Palmer also confirmed that he had not intended to deceive anyone.

68. Taken literally, that would seem to be a reiteration of the accuracy of his proposals. It was his best account, at the time, of what he owed. He was bound to set out the full debt because although there is going to be a zero sum, he said, reclaimable in his bankruptcy and, therefore, the level of creditors did not matter, there was still to be a comparison between the two; and, therefore, it could be no excuse – and actually, nobody has raised this – that in some ways there were to be debts which were larger in the bankruptcy than in the voluntary arrangement.

69. I think it must also be borne in mind that, as at 20 September 2024, Mr Palmer wanted this proposal to pass. It was the way that he was avoiding bankruptcy. It was intended to be effective and to compromise all the debts. And it must have been understood – subject to the rider which I have just indicated – by the Respondents as well that that was the position. And what this indicates – strongly, I think – is that there was no genuine agreement that compound interest would be paid by Mr Palmer to Ms Ball.

70. Mr Palmer's evidence then went further. He said that, actually, the interest had not been disclosed because it was Mr Nakar's advice, as nominee, just to put in the debt and not to worry about the compound interest.

71. That is a point which is just simply impossible to accept, absent some further evidence. It is a wild explanation for a most unsatisfactory evidential position. It would never, as it would seem to me, be proper advice for a nominee to give.

72. Further, as we have already heard, and will hear again, Ms Ball did include an element of interest in her proof of debt.

73. By the end of his evidence, Mr Palmer acknowledged that it was "really stupid" not to have made reference to the compound interest in his proposals.

74. Ms Ball also gave some evidence on the genesis of the voluntary arrangement. She said that it had been written with Mr Palmer advisers (yes, we have already heard that). They wanted it to be agreed (yes), so that is why Mr Palmer put in their basic debts not including interest. But, as we just heard, actually when it came to proofs they did put in interest.

75. And she then made a point, which was to be echoed by Dr McDonald, that as with other creditors, in fact the figures for interest later changed.

76. The proposal was, of course, Mr Palmer's declaration as to what his liabilities were. The creditors' proof of debts are statements of what they believe the liabilities to be which are owed to them. It is no surprise that interest has later changed or that there is a difference in these other creditors' proofs of debt.

77. It was a point which appeared to hark back again to this layered approach to disclosure, or to asserting of true rights, in bankruptcy.

78. Ms Ball said that the debts did not include interest and so the proposal had a chance of passing. Mr Hodge put to her that they would have an even better

chance of passing if she was going to vote for them and was owed £18M. “Absolutely not”, she said, “because of the huge amount”.

79. Again, the ordinary way of dealing with this would be for the proposal to provide special treatment for particular, and often connected, creditors, and those who were asserting such large claims. In other words, those claims ought to have been disclosed by Mr Palmer, if they were true, and then they could be modified, as appropriate, by agreement between him and those persons.

80. And she said as well that “Mr Palmer was looking to do right by all”. This was quite interesting, because actually what this appears to show is that Mr Palmer considered the interest to be as it were payable by him at his own behest; there was no right to hold him liable for the interest. It also demonstrates Mr Palmer’s control of that process, which feeds in, I think, to the evidence which we have had in this trial.

81. Just looking ahead to the January meeting, Ms Ball said that she had not voted against a new Trustee at Mr Palmer’s request but because she did not know who the other insolvency practitioners were; the Official Receiver was doing their job, including scrutinising everything; there were no hidden assets; she wanted Mr Palmer to be discharged as soon as he was able to be. And she confirmed, as did Ms Rose, that she had discussed with her that viewpoint, and she later said that she had actually discussed it with Mr Palmer as well.

82. As to the proof of debt, she filed the £18M proof of debt. She said it was more considered; she had done the compound calculation. Vividly, she recollected that the first time she did it, she thought, “That is insane. I would never have come up with that, and I would never make a claim against Anton for that.” She later described the amount as “extortionate”, which appears to me to be apt. But those early remarks again, to my mind, show that this was not a genuine interest agreement at all.

83. For completeness, I note that Mr Palmer said he was actually unaware of the January 2025 vote until after the event, which is wholly improbable given his domestic circumstances and, even on Ms Ball’s case, the control he had had over her earlier proof of debt.

84. I turn back to the letter of June 2014, because by the time of the first hearing Liberty had recognised that there was a limitation problem for Ms Ball. The £400,000, whether it covers the £103,000 it is not clear, but the £400,000 was payable within a month. And it was not paid. And therefore time was ticking under the Limitation Act for its payment. Mr Parrett agreed that unless there was a signed written acknowledgment or part-payment under section 29 of the Limitation Act 1980, then Ms Ball’s debt would be statute-barred.

85. It was because of this point that at the first hearing, before Judge Barber, Liberty had invited her simply to summarily determine that aspect. Whether there was even time to do that I know not. But what she did do was to give directions – this on 21 May 2025 – which allowed Ms Ball permission to file and serve by four o’clock on 16 July a supplementary witness statement, “setting out all facts and matters and exhibiting all documents relied on, in answer to the limitation

issue raised by the Applicant" in what was actually Mr Heath's second witness statement. I should say that Mr Heath is solicitor to the Applicant and has provided the evidence on its behalf. He attended to approve his statements and duly did so without any challenge.

86. What the Barber order led to was Ms Ball's second statement, dated 15 July 2025. This was barely longer than the first statement, which itself had only tipped over, I should think, 100 words of substance. It was specifically in response to the order of Judge Barber.

87. Ms Ball said that:

> "Anton made no repayments towards the debt until 2019. I attach bank statements, showing the following payments made to me [and there are four of those]. They totalled £27,400. It was discussed, and accepted by us both, that these payments acknowledged the debt. And the funds were accepted as payments towards the interest owed. As a consequence, the total amount owed at the time of bankruptcy may be slightly miscalculated by £27,400. [And indeed, of course, it forms no obvious part of the January proof of debt.] Since 2014 [she said], the debt has regularly been acknowledged verbally and referred to in conversations on WhatsApp on messages, and also in the presence of lawyers. My lawyer could confirm this, if required. [And we got nothing further on that, either from the lawyer or even identification of who they are, unless it is to refer to Mr Ahmad, who we will come on to. She said she did not have any of the electronic records anymore.] We regularly discussed repayment, all the way up until Anton's bankruptcy. In May 2020, Anton acknowledged the debt in the form of a letter [and she exhibited that]."

88. In cross-examination, Ms Ball said that she had not disclosed any of her own bank statements because there was no court order to that effect, and that was simply her understanding as a litigant-in-person.

89. That was evidence which was to be echoed by Dr McDonald, and again speaks to prior discussions between them as to what to say. I do not know at what stage those discussions were.

90. That non-disclosure was despite specific requests for those statements made as early as 28 March 2025, by Mr Heath, and also on 24 December 2025.

91. And so what we have as evidence of these repayments are copies of a Coutts account of Mr Palmer's. It is not a running account. And every entry, other than the four entries on which reliance is placed, has been redacted. Those four payments were: on 28 January 2019, £10,000; in fact, it is 29 January 2019 was £10,400; £1,000 on 22 March 2019; and £6,400 on 4 April 2019. That is all we have.

92. Ms Ball told the Court as well that just before this time (so, in December 2018), she had had major surgery and that the redactions were, so far as she knew, to delete irrelevant items.

93. Just looking at those accounts it follows that we have got no real idea whence these monies came. Neither do we have any idea of how they were treated, if they were treated in any special way, by Ms Ball. One might wonder whether such payments were not being made towards household expenses, particularly if Ms Ball was unable to work.

94. And the problem that she has on relying on these, as part-payments, is that we are given no clue – let alone any clue backed up by documents – as to how she and Mr Palmer, who kept their financial affairs separate, dealt with their household expenses. Put another way, there were likely to be monies passing between them, of which in the end an account would be taken. But we have absolutely no idea. Nor as to why, at this point, Mr Palmer should suddenly decide to pay some of this longstanding debt or find himself even able to do so.

95. And what this points up, as well, is that we have not the slightest evidence from Ms Ball as to how she laid her hands on £400,000 in 2014, and perhaps another £103,000. There is nothing. And that matters particularly where one has Mr Palmer borrowing vast sums, from a large number of people, and money apparently circulating around.

96. The acknowledgment letter which Ms Ball exhibited is of 5 May 2020. And once again (as we will hear), its language is obviously directed at third parties and not the language which one would expect between partners, let alone (as we shall hear) at a special time of their life:

> "Dear Ashleigh,
>
> As you know, I signed a loan agreement with you in June 2014. Whilst you are not pursuing legal recovery of the debt, you would like the option to remain available to you. [We have got no further details about that, about what pressure Ms Ball was putting on Mr Palmer at this time.] This letter has been requested by you, in order to protect your position. I respect and agree to this. [Actually, Ms Ball said that she had not requested the letter, but she might have used words that made Mr Palmer think that there had been a request.] In addition, as you know, I have made four payments, which I class [to be underlined] as acknowledgment [and one might underline that very technical word as well, this word apparently being used in a technical sense] of the debt, in any case. But for completeness, I feel this letter is appropriate."

97. He sets out the four payments: £10,000; £10,000; £1,000; £6,400. That is, as I say, how it was set out in Ms Ball's witness statement, but it is not how it is in the bank statements, as the second payment is £10,400. And therefore, what are we to make of this apparent acknowledgment by a payment of £10,000? That is rhetorical, for the moment.

> "However, I am not in a position to agree to a repayment schedule at this time. I have kept you fully informed of my financial situation [it would have been nice if somebody told the Court that] and I hope

> to address this debt within 12 months of this letter. Although, I cannot guarantee this. I am sorry about this."

98. Now, "this debt" would appear to refer back to the debt in the June 2014 letter. Whether that is to include interest is unclear.

99. And then this:

> "Finally, I am writing the week that our beautiful second son… has been born. It is a momentous time for us and I wanted to reflect and get all of our affairs in order, especially as we have been living apart whilst you have been self-isolating due to Covid and now we can be all a family again. In the event of my death, as well, please can this debt be acknowledged."

100. Those are unreal words passing between the two. It was no explanation, I thought, from Mr Palmer, that he is an emotional man and these are words from the heart. They appear on the contrary, to me, to be words from the brain. It is a letter which is overly convenient to the parties' case now. It was not referred to in the proofs of debt. It was not referred to in the evidence until Ms Ball's second bite.

101. Moreover, the importance of this 5 May letter was explicitly recognised by Mr Palmer. He agreed that none of his bank statements were evidenced, apart from these redacted Coutts' ones. But he said that, "It would be insane to say that monies had been received when they had not, as that would be so easily provable". I agree; and it is remarkable that that easy proof has not been forthcoming. Instead what one can see is that there has been a hiding behind, in this case, a proxy document. One can look at this document and take it on its face and, therefore, deduce that monies had been loaned. It is a way of hiding what has actually happened and the real evidence that there ought to be behind this loan.

102. He said that what had been produced (as we are about to hear) had been a copy of this letter, signed by a solicitor, proving the loan. No, it does not. What this does show is that Mr Palmer is well alive to the importance of this document and its purpose. And indeed, he did at one point observe that had it been produced earlier, it would have "trumped everything". It is just that. It is a trump, produced out of the sleeve when needed.

103. The origins of this document were pursued by Liberty. On 20 March this year, as it happens I made an order for disclosure of the May 2020 letter in its original native format, the metadata. There was also to be, with metadata, disclosure of the letter as exhibited to the second statement of Ms Ball; and also there were to be disclosure of any emails referring to the May 2020 letter, or as to its later certification.

104. On 10 April, therefore, Ms Ball provided another witness statement, in slightly longer form though by no means expansive. She exhibited to that statement a copy of the May 2020 letter, certified by Imran Ahmad, a solicitor of Bloomsbury Law, on 21 February 2022. And therefore it follows that one would have expected this certified version to have been produced much earlier.

105. She also produced, in apparent support of the certification, various documents which he had also certified. She said that, "The certified copy is held by the certifying solicitor, Imran Ahmad. The copy produced in these proceedings derives from the certification process. Accordingly, the certified copy represents a true and properly verified copy." Again, one can hear a desire to hide behind a created document.

106. She said she could not find the May 2020 letter in its original format; she simply has not got it.

107. She ignored the request to disclose the exhibited version.

108. That the certified copy is held by Mr Ahmad was something which was apparent to the Applicant's solicitors, and also the very existence of this certified letter, because on 16 March 2026 Mr Ahmad (now at Mezzle Law) had sent a copy through to Ms Ball, who had forwarded it to the Applicant's solicitors on the same day.

> "Dear Ashleigh,
>
> Further to your request, I now attach a copy of the certified letter, dated 21 February 2022."

109. By a witness statement, which came into existence during trial, Mr Ahmad gave his recollections of the certifying process and indeed attended to be cross-examined.

110. He confirmed that, actually, he did not have access to any of his original file, and that was because Bloomsbury had been intervened in; indeed, it had been intervened in following his own report to the SRA, given concerns he had about his management. How he came to produce this document in March 2026 was met by initial silence. It must have been an unexpected question of Mr Hodge's. It put him on the spot. But he said that he had been able to forward it to Ms Ball because Mr Palmer had given him a copy of it.

111. It followed that Ms Ball's evidence that the certified copy "is held by the certifying solicitor, Imran Ahmad", is literally, but not completely, accurate. What this also indicates, I think, is that this is, as it were, "solicitor-washing", as I put it rather inelegantly in argument: because a solicitor has certified it, therefore both the document and its contents must be true; and, look, he has forwarded it to me from his records. And therefore, it might be anticipated that when the Applicant's solicitors saw it, they would think, "Ah, well, this must be a genuine document, because it has emanated from Mr Ahmad". It is a way of adding credibility to a document. And by that, I mean not just the certification but the contents of the May 2020 document, itself.

112. But what Mr Ahmad was absolutely clear about was that – and, of course- his certification was no more than a certification that this letter had, on that day, been produced to him. It was, of course, in no way a verification of the contents of the May 2020 letter.

113. It is interesting, as well, that Ms Ball's evidence – even at this late stage – was so cagey. It gave no great detail of why on 21 February she went to Bloomsbury's offices for the purposes, she said, of executing documentation relating to "the relevant transaction", whatever that is, and providing identification. It does not explain why then she wanted this document verified. And to support the meeting at all, she provided – in addition to a verified lending agreement for her benefit – a passport, a single bank statement (but with the entries obliterated and indeed the IBAN, sort code and account number as well), some WhatsApps, not telling anybody who these people were. One was from Mr Ahmad, 21 February, to "Andrea Toby", those are probably two different people:

> "Dear Andrea,
>
> The client has attended my office today and signed all security documents [then excerpted text]."

114. A similar letter to somebody called "Umesh":

> "I have met with the client today and sent the security documents to you in the post. I attach the electronic copies."

115. On 27 April Ms Ball provided her final statement. She said that she attended Mr Ahmad in connection with a separate personal legal matter. She had signed documentation in relation to it. The May 2020 letter was not the subject of advice and was not discussed substantively. And now, while not giving details of the reason for her taking this borrowing, she did disclose unredacted copies of the WhatsApps, I think it is, to Andrea and Toby. The missing words were, "We are moving in the right direction in time for the hearing on 1 March". And to Umesh, again we do not know what the obliterated bit to Umesh was because that remained obliterated. But we have now got the email to Andrea, together with an additional email of 15 February from Mr Ahmad:

> "I am expecting the security documents today and have asked my client to attend Wednesday or Thursday of this week to sign up. I understand the adjourned hearing is set for 1 March 2022 and is now an attended hearing."

116. Ms Ball would not tell us what that hearing was which concerned her. But Mr Ahmad said that he believed that it was a bankruptcy hearing of hers.

117. And so it may be (I know not) that the certification at that point was because she, now under significant financial pressure – her partner not working and also subject to a petition, she and he wanted to put their affairs into the sort of order which they wished.

118. Mr Palmer, I should say, was not his usual clever and confident self when cross-examined about the May 2020 letter. He gave his evidence in a notably nervous way (for what that is worth).

119. I am not going to go into the Hodgeian theories about when the May 2020 letter was certified. From my point of view, I regard Mr Ahmad as an entirely upright

and helpful witness. Mr Hodge's theorisings were legitimate, based upon the small evidence that we have got. But they are, if I may use the word, "trumped" by Mr Ahmad's careful and conscientious approach, that approach being emphasised in a very strong way by what he did in relation to his previous firm.

120. It follows that the May 2020 letter is of no assistance at all to Ms Ball. There is nothing to show that it was even created on that date, beyond its containing the date. There is nothing to show that the payments were repayments. And, as I have already said, the larger problem for her is that there is no evidence that she ever paid Mr Palmer anything.

121. There is a little bit more to this, which – really, by way of record – I am going to refer to, very quickly.

122. Mr Palmer was subject to contempt proceedings in relation to I think another claim made by Liberty. And he made a statement within that, in which he confirmed that during or subsequent to his divorce, "I put art into Ms Ball's name on more than one occasion to protect myself. This was either orally or in written form." And he had certainly done it for what he calls an Andy Warhol painting, but I think it is actually a sort of print, of a star. He had done that, to emphasise, "to protect myself".

123. It is, therefore, perfectly possible, because Ms Ball was only aware of the star (which she regarded as a gift), that she was unaware of other uses of her name.

124. And Mr Palmer said that actually what he had done, in order to acquire the star, was use his credit notes up with the Halcyon Gallery in W1. He was protecting himself, he said – this was in around 2015 or 2016 – because of bankruptcy proceedings. It may be the dates are slightly out and that is the earlier petition. It may be that there was another petition. But he said that it was not to shield the asset from the creditors. He gave it to her and it was hers.

125. Ms Ball said that, "Mr Palmer is always under creditor pressure. The Warhol was a gift." And, as I say, she never had anything else in her name.

126. So using the credit notes, it was put straight into her name. She obtained lending, though she could not recall to what use those loaned monies had been put – whether it was to pay off his debts or hers. But if one needed any more concern about the origin of this purported loan from Ms Ball, there it is.

127. It follows that Ms Ball is unable to prove even the principal of the debt, let alone the interest arrangements.

128. Next is Ms Ball's sister, Ms Rose. She was obviously not in a relationship with Mr Palmer, because the relationship was her sister's. As we have already heard, she turns to her sister for advice. And actually, Ms Ball as well confirmed that that was so as between the two of them, so that Ms Rose would look up to Ms Ball. And she said, as well, that actually her memory of all of these events was not the greatest because she was just peripheral to them all. It did not directly concern her; which is right.

129. Her proof of debt (to make a comparison point again) was for the January meeting in the sum of £989,759. Interest within that was £703,759, so leaving £286,000. Details of how and when the debt was incurred; again, there was no need to go overleaf, to write lent during 2021 to 2022 at 3%, compounded monthly. No document was identified by which this debt could be substantiated.

130. The IVA had, as we heard, identified her debt at £261,000. Her proof was, in fact, for £350,000, being £285,000 plus £65,000 interest.

131. She identified herself as Ms Ball's sister and just said, "lent during 2021 to 2022". As to documents, she just wrote, "Bank statements"; again, we have not got any from her either.

132. She agreed that she had read the IVA proposal and seen the figures attributed to her. And she agreed, as well, she had not told anyone that she was owed the £1M, which she subsequently claimed.

133. Rather like her sister, as to the £65,000 interest in the IVA proof of debt, she said she "probably just picked a figure that day". And again, that seems to me to show an immediate estimate of what the interest was, and it was far away for the sky-high sums that were later claimed.

134. Her witness statement is very short, indeed. Slightly mysteriously, she always calls Mr Palmer just that. But that may just be because she thinks there is a court process and there is a need for particular formality.

135. Her address was the same as his and her sister's, because by then she had moved into the same house. She said that:

> "I lent Mr Palmer £236,000. I then lent Mr Palmer another £50,000.
> In total, I lent Mr Palmer £286,000."

136. That then is close to the IVA's £285,000 principal and, indeed, the £286,000 in the January meeting's proof of debt.

137. She refers only to one document, which again is a letter – and must, I think, given the Ball history, be treated with a little bit of care – which was dated 1 September 2021.

138. Just before we look at that, Mr Palmer confirmed that from his point of view the loan was £236,000. That is in his witness statement. There was to be 3% monthly interest, compounded from the date of first payment, which is 1 July 2021.

139. The letter is signed by Mr Palmer and Ms Rose and witnessed by one Lesley-Anne Scott, from Chester (a long way from Gloucestershire, but there we go). We have not, I should say, heard from any witness to any document:

> "Dear Jess,
>
> We have today had a conversation, where we have agreed the following: I currently owe you a total of £236,000, made up of the following transactions [and he then identifies 11 payments between

1 July 2021 and 23 August 2021]. This money should have been repaid to you today, but I have had to delay on monies due into me. I am sorry about this. As a consequence, I would like to give you the further reassurance that I do owe this money that you have kindly lent me. I have agreed to apply an interest rate of 3% per month, compounded on the total amount, £236,000, from the date on which the first payment was made, 1 July 2021. I am happy to pay this interest rate because I know how important this money is to you. In addition, these are the default rates I have applied to loans from friends and family and on agreement. In the unlikely event you lend any more money, those funds would also be liable to the 3% interest rate. This 3% is compounded monthly and is repayable until the debt is repaid in full. In the event of my death, and in the absence of a will, please present this document to my estate."

140. It follows that there is nothing which supports Ms Rose's recollection, even from Mr Palmer, that she had loaned another £50,000. It would also be easy, given what we have heard already, to reject her claim on the basis that, once again, this is a letter of a certain stilted formality and we have no underlying documents.

141. But I do consider that as to the £236,000, her evidence leads to a different conclusion. That is because she seemed to me to be a convincing witness who was doing her best to assist the Court. She was very honest with the Court when she said that actually at the time (2021), she had paid no attention to the interest rate. It was not relevant to her. She never expected to be paid interest, even in September 2021. She knew that Mr Palmer would have sorted it out, so that was the extent of their agreement.

142. And she explained the origin of these monies, I recognise without any underlying documents. But she explained the origin. She said that it was a "very, very dark time" for her. She was in the middle of her own divorce, some matters from which are still ongoing. Mr Palmer had been very kind to her. He had paid, it emerged, about £40,000 for her divorce lawyers. And so when he had asked for these monies, which as Mr Hodge observed were greatly in excess, she did not feel that she could refuse. She thought that they would be repaid because of her faith and trust in him.

143. And so what these 11 payments were, were actually, she said, payments from her divorce settlement. She thought that these would be short-term loans because she needed those monies, in order to I think complete on the new build house which she had identified for herself and her children. It was because of the failure of that that she has ended up living with Mr Palmer and her sister.

144. That is evidence which, as I say, on balance I accept. And I therefore consider that Ms Rose was entitled to vote at least as to the £236,000 principal.

145. Dr McDonald is in a different category, in the sense that she is, she said, just a friend of Mr Palmer. There is not the slightest evidence that that relationship ever went further. Nor is there the slightest evidence (given the sums that were loaned) that there was any coercion of her. Indeed, that would be very surprising

because she is a professional woman, who has been an NHS consultant, she told the Court, for 30 years.

146. Her own proof of debt for the January meeting was in a sum of £2,036,049-odd. £425,026 of that was principal. Therefore, the interest was £1.6M or so. Mr Palmer borrowed that sum at 3% a month, which would be applied to the total debt on a monthly compound basis if it were not to be paid within a month. That was her description of how the debt was incurred. As to any documents, she just put, "Not applicable", and she left blank her relation to, it says "the creditor" but I guess it means "the debtor".

147. Her IVA debt was said by Mr Palmer (in his Statement of Affairs) to be £400,000. Her proof of debt came in around that, at £392,825. That was principal only and not interest.

148. As to the particulars of how (and when) it was incurred, she just said, "Loan". But as to "Documents" she had attached Excel spreadsheets, "Awaiting full bank statements, requested, comes via post." We do not have any, although she said in oral evidence that she could produce them. And the schedules which she attached to this proof of debt (adding up to the £392,000 or so) comprised dozens- maybe five dozen, I have not added them up- of loans, between 21 August 2020 and 13 August 2024. Those loans varied from £25 up to £80,000. Therefore, they seem to be very ad hoc.

149. Mr Palmer said that he had borrowed funds from Dr McDonald over a period of time. All he could locate was, "A letter of 6 November 2020, which records the borrowing by me of £35,000", and then he refers to the compound interest agreement. It is not without interest that he has a copy of that 6 November 2020 letter.

150. Dr McDonald's own evidence was again remarkably short:

> "Mr Palmer and I entered into an agreement on 6 November 2020 (please see attached document). [She said that] Given the proof of debt not being repaid interest has been calculated as per the agreement. Debt still not been paid. All the monies lent can be confirmed via bank statements. [That was it.]"

151. The 6 November 2020 letter, signed by them both, witnessed by Marie Rousseau, of Gravesend (another one a long way from Gloucestershire, but there we are):

> "Dear Candice,
>
> This letter is our agreement following your kind loan of £35,000. We have also discussed the possibility of you lending further monies. To be transparent, if this money is not paid within two months from today's date, I would then agree to pay interest at 3 % a month, which would then be applied to the total debt owed on a monthly compound basis and would be applied to all of the money owed from the date at which it was first lent. In the event of my death or untimely demise, I will ensure this amount is accounted for

> from my estate. [I think we know what he means. Anyway, he goes on] And finally, I owe this amount unequivocally."

152. There is a reason for reading out that letter in full.

153. Dr McDonald told the Court that Mr Palmer had been a friend for around 10 or 11 years. She said that she had read the IVA proposal, that Mr Nakar had told her to put in the debt and would address interest later. Again, as I have already said, I find that evidence incredible.

154. Again – and I think as I have already said – she said that she drew particular attention to her being a litigant-in-person, with no well of money, unlike Liberty. Again, she said she was not going to produce bank statements, unless ordered by the Judge. She said the voluntary arrangement had been very rushed. I do not know how she knew that. And she said that she had been happy with the Official Receiver's appointment, which she wanted to continue because, among other things, she had been an NHS consultant throughout her career.

155. As to the loans she made, she said that she trusted Mr Palmer to pay. That was the limit of her evidence. We do not know any details of that, or how she could trust Mr Palmer to pay, when at least from August 2021 he was unemployed. And for two of the years, he was subject to a mental health breathing space.

156. So, even thus far, there are question marks over her degree of actual recollection. But what would so far tell in her favour, I think, is not only her professional status, but her independent status, and the dozens of recorded transactions which form the basis of the £392,825 debt claimed.

157. Dr McDonald also owned- she was the sole director and sole shareholder of- Positive Aspirations. She had been that from its incorporation on 28 January 2022 until its dissolution on 26 August 2025. And it follows from its dissolution that it is not formally a party. But she had, by then, given evidence in support of its proofs of debt. And it seems to me that it is appropriate for those to be considered as well.

158. To go through the usual exercise, it had submitted a proof of debt for the January meeting, at £850,969. That was a principal of £431,179 (similar wording to her personal claim). No identification of any document.

159. There is a curiosity in the IVA List of Creditors, in that there is a company of very similar name referred to, with a debt of £750,000, being Positive Aspirations Care and Support Limited. That was, in fact, a company incorporated on 16 October 2020, of which Mr Palmer was the sole director and shareholder. It never filed any accounts, and it was dissolved on 22 March 2022. So I think it may be inferred that, as at September 2024, this is likely to be an error and that it is meant to refer to Positive Aspirations.

160. Its proof of debt within the voluntary arrangement was £483,509. "Details of any documents for substantiation: Excel spreadsheet of transactions has been sent". It was described as a "Loan". And the Excel spreadsheet records what are, I think,

probably a couple of hundred transactions, purportedly between Positive Aspirations and Mr Palmer, between 24 February 2023 and 29 August 2024.

161. Those payments have various descriptions, and the descriptions are, as it were, in blocks. The first block, "PA Loan". I do not know what that refers to. It may be "Anton Palmer" reversed; I do not know. And we have not got a proper, full typescript of this. But it says, "Anton Palm", so "Palmer", "Bill payment". There may be other words missing. But "Cash" and "TRA", and then this bit, "Payment of loans". And it is the "Payment of loans" which endures until through probably 100- at least 100- transactions until 24 February 2024, when the last description is that of "Business payment". And the first one (interestingly), "Expenses". Now, expenses would not, of course, be loans. From 8 July 2024, we are back to "Loan" and "Payment of Loans", and then we have got blanks from 15 July 2024.

162. So there are, on its face, queries, which would arise over this schedule.

163. The company also benefitted from a letter from Mr Palmer. And it was that letter which was the sole documentary evidence referred to in Ms McDonald's statement on its behalf of 19 March 2025.

164. I read out earlier the 6 November 2020 letter. There are very small differences here. And so, there is a different first paragraph, at least from the figure mentioned in it, but the same is, "This letter is our agreement following your loan of", and then we have got "£20,000 from Positive Aspirations Support Services Limited." Same next line, even without a full stop at the end. "To be transparent", has become "for transparency". Same lines about interest. Same lines about death. And it ends, tagged on to, "I owe this amount unequivocally", the words, "to this company".

165. Now, we have got no evidence as to how this was created. But if it is to have any validity at all it would have to be said that Mr Palmer had a copy of the November 2020 letter, which he simply recycled and trimmed a little bit for the February 2023 letter. It was Dr McDonald's evidence that indeed this letter had (as it says) been signed on 24 February 2023, just as the earlier one had been signed on 6 November 2020. We will come back to that.

166. But one of the immediate problems with the Positive Aspirations' claim is that its last filed accounts were to 31 January 2023. Dr McDonald signed those off on 27 March 2024. They showed net current liabilities and a negative balance sheet, of £3,600. The only asset was £26 cash at bank. There were no debtors. There were creditors of £3,626 and one employee.

167. They do not, therefore, indicate that the company would be in any position to lend even £20,000 in February 2023. And her evidence is (as we have heard) silent as to how it was able to do so.

168. Orally, she gave an explanation. She agreed that the company had no assets, itself. But she said it was intended to become a holding company for two companies, which she had acquired. And what happened was that those two companies passed up to Positive Aspirations the monies which it now claims from Mr Palmer.

169. The first of those companies that she referred to was Harbex Limited, company number 03112191, of which she was the sole shareholding director from 1 August 2023. It would follow that it cannot have been responsible for paying up anything until then. So the earlier payments must, just on this, be unjustified.

170. The other company was Person Centred Care Services Limited, 06996880. She was the sole director and shareholder from 11 April 2023; and therefore, I am afraid, there is again an unexplained gap of two months. And therefore, again within this case, we have real issues about whence the money emanated.

171. That is the more so because Harbex last filed accounts were to 31 March 2023; and there is no obvious identification of any loans made upwards in those. On 8 October 2024, it entered CVL. Mr Nakar was appointed the liquidator. Dr McDonald signed the Statement of Affairs, with the confirmation as to its accuracy. Those disclosed no loans to anybody. And neither does Mr Nakar's first annual report.

172. The position is very similar for Person Centred. I do not have to refer to its last filed accounts because they were to 30 June 2022. But it entered CVL on 20 August 2024. Mr Nakar was the liquidator. Indeed, Dr McDonald said it was she who had introduced Mr Nakar to Mr Palmer. She signed off the Statement of Affairs. She had done the earlier one on 3 October 2024, if I did not record that. This one was 17 September 2024. She identified in that book debts, of £19,000. But Mr Nakar's first report confirms that those were ordinary monies to be collected in for the services which the company had provided. And therefore, again, neither in that, nor in Mr Nakar's report, which is based on Dr McDonald's own sworn Statement of Affairs, is there any reference to monies being paid up to Positive Aspirations by either of these.

173. Dr McDonald confirmed that these supposed intercompany payments were not supported by any documents. There is no written agreement. There is no Board minute. There was no date for repayment. There was no agreement for interest.

174. Thus, there is positive evidence that Dr McDonald's account was wrong. And therefore, were it relevant, the Positive Aspirations' debt would necessarily be written down to zero.

175. I think it also means that one must review the perhaps slightly benevolent view that would otherwise be taken of her own proof of debt. I am afraid that, given those lapses in her evidence, I am utterly unconvinced, without supporting documentation, that she loaned anything, of her own monies at least, to Mr Palmer. There is certainly insufficient evidence, looking at the matter the other way around from her point of view, to say on the balance of probabilities that she did so.

176. It is also rather remarkable, when one comes to consider the interest rate, that this loan to a friend should have been accompanied by such a penal rate as 3% per month. Yet here she was, month after month, dolloping out money – tiny little sums, large sums – apparently as he wished. It makes no sense.

177. It follows that except as to Ms Rose's £236,000 principal, Liberty's application succeeds in its entirety.

178. Additionally, but just briefly given where we are, had any Respondent succeeded in demonstrating the actual agreement for interest at 3% compounded per month, it seems to me plain from the law as it stands – and as expressed in *Makdessi v ParkingEye* – that that would have been out of all proportion to any legitimate interest of the lender. None of these loans were made in the course of their business. It remains – particularly for Dr McDonald's loans, made after 2021 – a matter of utter speculation as to why they should have made any of them, or had any expectation of repayment, when Mr Palmer was (and had been by 2024 for a long time) out of work.

179. Thus the application succeeds. I apologise for how long this judgment has taken to deliver.

(Hearing continued – see separate transcript)

180. Mr Hodge reminds me that I was going to come back to the letters. And that being the letters of November 2020 and February 2023, passing respectively between Mr Palmer and Dr McDonald and Mr Palmer and Positive Aspirations.

181. It follows, from the lapses in Dr McDonald's evidence, that I cannot accept her evidence that these were signed on the dates that they say. That simply beggars belief, not only because of the almost entire mimicking of the wording (to which I have already referred), but also the sheer unlikelihood (unexplained) of Ms Rousseau, from Gravesend, being available to witness the agreements, both in 2020 and 2023. And that each signature should apparently be made with the same pen two-and-a-half years apart. And that Ms Rousseau, whose details she gives, her address, as well as her occupation, should be set out in exactly the same way and should also contain the same spelling mistake, as to "practitioner".

182. It, therefore, does not appear to me that either of these is a genuine letter. As to when they were created, there is no need to speculate.

(Hearing continued – see separate transcript)

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(This Judgment has been approved by the Judge.)

Digital Transcription by Marten Walsh Cherer Ltd
2nd Floor, Quality House, 6-9 Quality Court, Chancery Lane, London WC2A 1HP
Telephone No: 020 7067 2900 DX: 410 LDE
Email: info@martenwalshcherer.com
Web: www.martenwalshcherer.com