



Neutral Citation Number: [2024] EWHC 2912 (KB)

Case No: KB-2022-004503

IN THE HIGH COURT OF JUSTICE
KING'S BENCH DIVISION

Royal Courts of Justice,
The Strand
London
WC2A 2LL

Date: 15 November 2024

Before:

Simon Tinkler sitting as a Deputy High Court Judge

Between:

(1) Adam Jonathan Durrani

Claimants

(2) Sound & Vision Limited

- and -

(1) Charlotte Justine Coe

Defendants

(2) Andrew Brendan McCourt

Jon Colclough (instructed by **RSW Law**) for the **Claimants**
Daniel Black (instructed by **A City Law Firm**) for the **First Defendant**
The Second Defendant did not appear and was not represented

Hearing dates: 28 & 29 October 2024

JUDGMENT

This judgment was handed down remotely at 14:00 on 15 November 2024 by circulation to the parties or their representatives by e-mail and by release to the National Archives.

Simon Tinkler sitting a Deputy High Court Judge:

Introduction and Parties

1. This is a dispute about money that was transferred to the Defendants. The dispute is about who transferred it and whether either of the Defendants have to pay some or all of it back.
2. There are close relationships between the parties. The first Claimant (“**Mr Durrani**”) was a very good friend of the First Defendant (“**Ms Coe**”) and her family for over two decades. Mr Durrani and Ms Coe also had some degree of sexual relationship, although they gave differing evidence about the depth and intensity of the relationship. Ms Coe and the Second Defendant (“**Mr McCourt**”) had been long term co-habiting partners. They were, however, living in separate flats in the same building by the time of the events in this case and their relationship was, at best, very strained. They are now no longer partners. The Second Claimant (“**Sound and Vision**”) is a company controlled by Mr Durrani.
3. Unfortunately, no one wrote down at the time whether the various sums of money that were being transferred were loans or gifts, or when they were to be repaid, or what interest would be payable, or even who was to repay them. This court now has to resolve these matters.

Judgment

4. My judgement is as follows:
 - i) Ms Coe and Mr McCourt are jointly liable to repay to Mr Durrani £150,000 transferred by Mr Durrani to Ms Coe on 1 December 2016 and then transferred by Ms Coe to Mr McCourt;
 - ii) Ms Coe and Mr McCourt are jointly liable to repay to Mr Durrani a series of transfers made by Mr Durrani to or on behalf of them between 27 March 2017 and 1 August 2018 (inclusive) in a net amount of £135,245.03 (being the amount lent of £155,245.03 less £20,000 repaid in February 2018);
 - iii) Mr McCourt is liable to repay to Sound and Vision £50,000 lent by it to him on 8 February 2017 but Ms Coe is not liable to Sound and Vision to repay it as she was not a joint borrower of that money;
 - iv) Ms Coe is not liable to repay to Mr Durrani three transfers in 2020 totalling £11,449.21 because they were gifts and not a loan;
 - v) Neither Ms Coe nor Mr McCourt are liable to repay a payment in cash of £6,000 made in early 2017 because this payment was, even if it was made, a gift to the family.

I set out my full reasons in detail below including as to the applicable interest rates on these transfers.

Preliminary matter - bankruptcy of Mr McCourt

5. Mr McCourt was made bankrupt almost 18 months after the start of these proceedings and some six months before the trial. He filed a Defence before his bankruptcy but seemed not to have otherwise engaged meaningfully with the claim prior to his bankruptcy. In particular, he did not comply with his disclosure obligations or provide a witness statement by the deadline to do so.
6. If a claim has been started before a person has been made bankrupt then the court has the power (but no obligation) under s 285 Insolvency Act 1986 to stay the proceedings. Mr Black referred the court in his skeleton argument to *Re Lynch*¹. That case was not directly on point but reinforces that the court has the power to stay proceedings but is not bound to do so.
7. Mr McCourt's trustee in bankruptcy indicated that they would not participate in these proceedings. There was, however, no application made by the trustee to stay these proceedings.
8. If the court determined some or all this claim in favour of the Claimants then, as a consequence of the bankruptcy, the Claimants would not be able to take steps to enforce the judgment. The Claimants could, however, claim for those amounts in the bankruptcy. If, on the other hand, this court decided some or all of the claim in favour of Mr McCourt then it means the claims against Mr McCourt have been resolved without involving the trustee in bankruptcy.
9. It seemed to me that:
 - i) the Defence that Mr McCourt had filed prior to his bankruptcy adequately identified the reasons why he disputed the claim;
 - ii) Mr McCourt had ample opportunity to supplement his Defence with witness or documentary evidence;
 - iii) the trustee in bankruptcy had not made any application to stay the proceedings;
 - iv) neither the Claimants nor the First Defendant objected to the trial proceeding in the absence of the trustee in bankruptcy;
 - v) there would be minimal impact on the trial and witnesses of determining the issues relating to Mr McCourt because they were very similar to issues involving Ms Coe and the Claimants; and
 - vi) there was clear benefit to both Claimants and to the First Defendant in resolving matters regarding the liability of Mr McCourt promptly and that doing so would reduce the burden on the trustee in bankruptcy.

Accordingly, it seemed to me that the overriding objective was best served by this court determining the claims against Mr McCourt. The court therefore did not of its own volition stay the proceedings against Mr McCourt.

Other Legal Issues

¹ *Re Roderick John Lynch Inspiration Finance Ltd v Cadwallader (in his capacity as trustee in bankruptcy of Roderick John Lynch) and another* [2020] EWHC 15 (Ch)

10. There were only two disputes as to the law that relates to the payments in this case. These were raised for the first time shortly before the closing submissions. They were:
- i) whether the burden of proof had shifted to Ms Coe in relation to the money she admitted she had received but which she said was a gift; and
 - ii) whether the loans, if any, were void as they failed to comply with s2 of the Law of Property (Miscellaneous Provisions) Act 1989.

Shifting of burden of proof

11. Mr Colclough, on behalf of Mr Durrani, raised the possibility of the burden of proof having shifted from Mr Durrani to Ms Coe in relation to the money she admitted she received but which she said was a gift. He referred the court to *Seldon v Davidson*² in which the Court of Appeal held that where:

- i) it was accepted that money had been transferred to the defendant; and
- ii) the defendant claimed that the money was a gift

then the burden of proof shifted to the defendant to prove that it was a gift (unless there was a presumption of advancement). This is also the position set out in *Chitty on Contracts* at paragraph 42-277.

12. In *Seldon* the core issue for the Court of Appeal was whether the lower court had been correct, because the burden of proof had reversed, to allow the claimant's application to require the defence to put their case first at trial. In this case the Claimants had already put their case first in the usual way; Mr Colclough, on behalf of the Claimants, had not at any stage applied for the First Defendant to put her case first. Any reversal of the burden of proof was therefore not relevant for the purposes of deciding the order of proceedings at trial.
13. The only remaining question was whether there was any other impact of the suggested reversal of the burden of proof. The issue in this case was whether the relevant transfers were gifts or loans. The court would decide the matter on the balance of probabilities. If the evidence showed that the likelihood of the transfers having been loans or gifts was absolutely equal, then it would be relevant which party had the burden of proving their case. In all other circumstances it was not relevant who has the burden of proof; either the evidence showed that the transfers were more likely to have been loans than gifts, or the evidence showed that they were more likely to have been gifts than loans. These were the only possible conclusions. Mr Colclough therefore accepted that in this case, except where the evidence showed that both positions were equally likely to be true, there was no meaningful consequence of the reversal of the burden of proof. For the reasons set out below the evidence did not show that both positions were equally likely to be true and so any reversal of the burden of proof was not relevant.

Validity of loan contracts

14. Mr Black, on behalf of Ms Coe, said shortly before his closing submission that if

² [1968] 1 WLR 1083

- i) there was a loan agreement between Mr Durrani and Ms Coe and
- ii) it included a contractual agreement for the grant of a legal charge over Ms Coe's property

then he wished to argue that the loan itself would be void under s2 Law of Property (Miscellaneous Provisions) Act 1989. I found for the reasons set out below that as a matter of fact there was no such contractual agreement when the loan was made. Accordingly, I did not need to address this point. If, however, I had done so then I am not at all certain that it is in accordance with the overriding objective to allow such a fundamental point to be raised so late in the proceedings. Ms Coe and her advisers had known of the possibility of raising this point since at least May 2024 when Mr Durrani made his witness statement. The argument had not been raised in the Defence, nor at any other stage before trial, and was not included in the skeleton argument.

Evidence and facts

15. I make it clear that in reaching my determination I have considered all matters that were raised and all evidence put before the court, not just the matters and evidence specifically referred to in this judgment.

Witness evidence

16. There was witness evidence from Mr Durrani, Ms Coe and Emma Oldham, Ms Coe's sister. I have set out below the key parts of the witness evidence as they relate specifically to each of the alleged loans. I have the following general observations that apply across all the alleged loans.
17. Mr Durrani gave evidence in a calm and considered way. He occasionally struggled due to his hearing difficulties but I was satisfied that he had opportunity to answer fairly all questions put to him. His evidence was generally consistent with the documents. It also seemed to have been consistent throughout most of the period in question.
18. Ms Coe also generally gave evidence in a calm and considered way. There were, however, occasions when she became upset whilst she was explaining what happened during this period. This was particularly the case when she was explaining how difficult her personal situation had been. She spoke of how she had struggled to juggle the pressures of bringing up her children whilst dealing with a very strained financial position and navigating a difficult relationship with Mr McCourt. Her evidence was not always consistent with the documents. She said that this was because she had not really paid much attention to the documents at the time due to her personal struggles and also because she left financial matters to Mr McCourt. Her evidence was also not consistent over time, with some points in her defence only being made some years after the events. Again, she said this was due to the stresses of the time and because Mr McCourt had historically handled the family financial matters.
19. Ms Oldham also gave evidence in a calm and considered way. Her evidence was short. It covered two topics. The first was what Ms Coe had said to her at various points about the transfers from Mr Durrani and the nature of the relationship between Mr Durrani and Ms Coe. This evidence was largely a repetition of what she had been

told by Ms Coe rather than anything she had directly seen. She confirmed, for example, that “*I was never present during any conversations between [Mr Durrani] and [Ms Coe] regarding the money he was giving her*”. Her evidence did not add much to the evidence of either Ms Coe or Mr Durrani. The second topic on which she gave evidence was the way in which Mr Durrani set out the terms of a loan he made to her in late 2018. I have set out below the implications of her evidence on this topic.

20. Mr McCourt did not provide a witness statement or give evidence.
21. The other person who was relevant in this case was Ms Coe’s mother, Maggie Oldham. She had been present at the meeting with Mr Durrani and Mr McCourt when the first relevant transfer of money in this case was discussed. Mr McCourt had also claimed in his Defence that as a matter of fact that Maggie Oldham was the lender of the money to him, and that it was not from Mr Durrani. Sadly, Maggie Oldham died in early 2020. There was no witness statement from her, but there was an email from her in November 2018 to Mr McCourt, Ms Coe and Mr Durrani that was potentially relevant. That is analysed below.

Documentary evidence

22. The documentary evidence largely consisted of:
 - i) bank statements that evidenced the various payments;
 - ii) letters from solicitors and statutory demands seeking repayment of the various sums of money; and
 - iii) a relatively small number of text, email and whatsapp messages.
23. The parties did not dispute that the various payments had been made. They also did not dispute whether the various letters and demands had been sent. There was some dispute about the meaning and purpose of some of the texts and emails. I deal with all these matters in the relevant sections below.
24. It is often said that the absence of written or electronic communication can be evidence that things were not discussed. In this case, there is almost no documentary or electronic evidence of communications between the parties. Mr Durrani gave evidence to the court that he did not generally use electronic communication. He said that he usually communicated by way of telephone and conversation. This evidence was not generally challenged although Mr Black did invite the court to draw inferences from the lack of written records that the money was a gift and not a loan. I address this point in paragraph 117 below. Mr Durrani also said that it did not initially occur to him to document the arrangements because “*his friends needed money and had promised to pay me back. I trusted their word.*”

Chronology of events

The position in December 2016

25. It was common ground that in late 2016 the family finances of Ms Coe and Mr McCourt were in a parlous state. Ms Coe said in her Defence that they faced “*extreme*

financial difficulties". These difficulties affected their children, their ability to pay school fees, their ability to pay the mortgage and their life in general.

26. Mr McCourt was also heavily involved in litigation regarding a property investment in the Cotswolds. The litigation had apparently reached a position where significant funds were needed otherwise the litigation would collapse and they would face financial ruin. It was not entirely clear whether the litigation involved Mr McCourt personally or whether it involved a company of which he was a director. Ultimately in this case it did not matter which of these was the correct underlying position.
27. At some point prior to 2016 Ms Coe and Mr McCourt had acquired two flats and the management company of a property at 42 Tregunter Road. This was a substantial house in Chelsea that had been split into three flats. Mr McCourt and Ms Coe believed that if they acquired the third flat to go with the two they already owned and reconverted the house into a single "super-prime house" then it would be worth considerably more than the price of the three flats added together. Ms Coe thought she owned both flats jointly with Mr McCourt. It transpired afterwards that they jointly owned one flat but that actually Mr McCourt was sole owner of the other flat. That illustrates that Ms Coe was not fully involved in the family financial affairs, even when she thought she was going to benefit from them.

The December 2016 meeting

28. On or around 1 December 2016 there was a meeting between Mr Durrani, Mr McCourt and Maggie Oldham. Ms Coe was not at this meeting. Shortly after this meeting £150,000 was transferred to Ms Coe (the "**£150,000 Transfer**") who then transferred the money to Mr McCourt. It seems that Mr McCourt then used the money to pay his solicitors in the litigation. Ms Coe said she thought the payment had gone to her account as Mr Durrani had her bank account details to hand. Mr Durrani said it went via her account because it was a loan to both Ms Coe and Mr McCourt for their family finances.
29. Mr Durrani gave evidence that at the meeting Mr McCourt made it clear he was "*speaking on behalf of himself and Ms Coe*". He also gave evidence that he and Maggie Oldham jointly called Ms Coe from the meeting. He says that they explained to her that Mr Durrani was going to lend £150,000 to her and Mr McCourt. Ms Coe denies receiving any such call. Ms Coe says that she was actually called by Mr McCourt who told her that she was going to receive £150,000 which she was to immediately send on to him. Ms Coe says that it was not explained to her that she would be jointly liable to repay the money. Mr McCourt did not give witness evidence but in his Defence he did not mention making any such call; he said instead that he "*went home to [Ms Coe] and expressed how disappointed he was that Mr Durrani had been at the meeting.*".
30. In her Defence Ms Coe denied having "*any knowledge of the meeting or arrangement*". She also said in her Defence that she was "*aware of the 2016 loan contract between [Mr McCourt] and [Mr Durrani].*". Her explanation as to how these positions could be reconciled was not entirely clear. Ultimately, I concluded that her evidence was that she did know that there had been a meeting but that she did not know what was discussed at the meeting about the terms for repayment or interest.

31. Mr Durrani says that at the meeting Mr McCourt proposed, and Mr Durrani accepted, that the £150,000 was repayable on demand (and in any event within 12 months) and carried 12% interest. There was also some expectation, or agreement, that the loan would be repaid on sale of the property. Mr McCourt denies that the loan was from Mr Durrani (saying it was from Maggie Oldham instead) and denies that he agreed to any of those terms.
32. Mr Durrani gave evidence that at the meeting, and on several subsequent occasions, Maggie Oldham confirmed to him that she would ensure that the money was repaid. Mr Durrani referred to this as being a “*guarantee*” from Maggie Oldham. There was never any written guarantee given by Maggie Oldham. As a consequence, Mr Colclough accepted on behalf of Mr Durrani, that as a matter of law there was no guarantee of the loan. The most that Mr Durrani had received was therefore some sort of confirmation that Maggie Oldham would do her best to see that the loan was repaid whether by her daughter’s family or perhaps by her. There were no legal consequences from that in this case but it illustrates that things that should have been written down were not and that the language used was legally vague.

The situation from December 2016 to August 2018

33. It was common ground that after 2016 the family finances of Ms Coe and Mr McCourt continued to be in a bad state. Both Mr Durrani and Ms Coe gave evidence that they believed this was due to the general financial mismanagement of Mr McCourt. Ms Coe described a chaotic period of time during which she did not really know how Mr McCourt was managing the family finances. She was, however, aware that bills were going unpaid and that debts were being taken on. She explained, for example, that her mother was paying school fees for her children and that she suspected Mr McCourt was using the equity in their properties to fund various business ventures. None of those ventures seemed successful.
34. Mr Durrani gave evidence, which Ms Coe accepted, that Ms Coe would call him during this period to explain that she had no money and that she was unable to pay bills and feed her children. He said he would be told that they were “*once again on the brink of bankruptcy, were facing repossession of their property or were in some other financial mess*”. Mr Durrani said that he made clear to both Ms Coe and Mr McCourt that the money transfers were to be added to the original £150,000 lent to them.
35. Ms Coe said that in this time she received numerous non-financial gifts from Mr Durrani. She said they included watches and handbags. Mr Durrani accepted that he gave her a number of these gifts. There was some dispute between them as to the value of these items, but ultimately that was not relevant to the case. Mr Durrani also gave gifts to Ms Coe’s daughter, who was his god-daughter.
36. The next transfer in this case was made in February 2017. It was a payment of £50,000 from Sound and Vision directly to Mr McCourt (the “**£50,000 Sound and Vision Transfer**”). The payment did not go via the account of Ms Coe, unlike the £150,000 Transfer. Mr McCourt said that the payment was actually from Maggie Oldham. Ms Coe says she knew nothing about this payment until this litigation began.

37. Mr Durrani says that in early 2017 he provided the euro equivalent of £6,000 in cash which he gave to Ms Coe for a family holiday (the “**£6,000 Cash Payment**”). Neither Ms Coe nor Mr McCourt recall receiving this money.
38. From this point on Mr Durrani began to make further payments to Ms Coe by bank transfer. I will refer to them collectively as the “**2017/2018 Transfers**”. They were largely lump sum transfers in round amounts. Mr Durrani made the first transfer to Ms Coe on or around 27 March 2017 of £19,000. He made five further transfers in the period up to July 2018 of £25,000, £20,000, £30,000, £20,000 and £20,000 totalling £115,000. These were mostly to Ms Coe’s bank account with one being to Mr McCourt. On 19 February 2018 Mr McCourt repaid £20,000 to Mr Durrani. Mr McCourt said this was a repayment of the £20,000 lent on 25 January 2018.
39. The only payment that was different in nature in this period was a payment on 25 October 2017 of £1,245.03 direct to Mr McCourt and Ms Coe’s local authority to settle their council tax bill.
40. On 27 July 2018 Mr McCourt messaged Mr Durrani. Mr McCourt said that he would like to meet to discuss “*getting ur funds returned to you*”. This message was included in a chain of messages in which Mr McCourt told Mr Durrani that money owed to Mr Durrani was secured against Flat 3 Tregunter Road although he said that Barclays was also owed £1.4m secured against that flat, which he said was valued at £1.6m. The money owed to Mr Durrani was not actually secured against the flat at that time.
41. On 1 August 2018, at 11.58 am Mr McCourt emailed Mr Durrani:
- “Also, further to our discussion this morning I confirm that you are owed in the region of £400,000 by us and this is secured against Flats 2 & 3 42 Tregunter Road. We have agreed to formalise this charge when you get back to London.*
- Once again I would like to state how much I appreciate the faith, understanding and patience you have shown with me personally”*
42. Mr Durrani said this email followed a call he received from Mr McCourt and Ms Coe whilst he was on holiday He said they were desperate not to default on their mortgage and lose their house – and the opportunity to make money from the planned sales.
43. Mr Durrani sent £20,000 on 1 August 2018 to Ms Coe and Mr McCourt’s mortgage provider. It was the final payment Mr Durrani made until the April 2020 payments to Ms Coe that are referred to below.

Matters from August 2018 onwards

44. It seems that at this point Mr Durrani decided to take steps to record and protect his position.
45. In September 2018 Mr Durrani sought to place a charge on some or all of the properties at 42 Tregunter Road. His solicitor advised him that he would need consent from both Ms Coe and Mr McCourt. Mr Durrani forwarded this request to them both by email without any particular explanation. Mr Durrani invited the court to infer from this that both Ms Coe and Mr McCourt were aware of the loan, the need to repay it and that it was intended to be secured on the property. Mr McCourt responded by

asking Mr Durrani to call him. Ms Coe said in evidence that she did not recall this email and left all financial matters to Mr McCourt.

46. Mr Durrani's solicitors advised him that the consent of two other mortgagees on each of the two flats would be needed to register a charge. Mr Durrani gave evidence that Mr McCourt asked Mr Durrani not to seek this consent for fear it would create problems with those mortgagees. In any event, no further steps were taken to register any charges.
47. On 6 November 2018 solicitors acting for Mr Durrani sent letters before action to:
- i) Ms Coe asking for repayment of the £150,000 Transfer, the 2017/2018 Transfers and the £6,000 Cash Payment; and
 - ii) Mr McCourt asking for repayment of exactly the same amounts.

These letters said the monies were owed jointly by Mr McCourt and Ms Coe.

48. On 7 November 2018 solicitors acting for Sound and Vision wrote to Mr McCourt asking for repayment of the £50,000 Sound and Vision Transfer. This letter said that the money was owed solely by Mr McCourt.
49. Ms Coe gave evidence that when she received these letters she approached Mr John Polsue, a solicitor known to her family, to advise her. Mr Polsue spoke with Mr Durrani's solicitors. It seems that Ms Coe initially formally instructed Mr Polsue but then Ms Coe passed matters over to Michael Toohig of Myers, Fletcher and Gordon ("MFG") who were also acting for Mr McCourt.
50. On 8 November 2018 Maggie Oldham sent an email addressed to Mr McCourt and which Ms Coe and Mr Durrani also received. In it she made a number of assertions including that:
- i) Ms Coe had been sent by Mr McCourt to ask for the £150,000 Transfer to "*get [Mr McCourt] out of yet another of [Mr McCourt's] financial messes*";
 - ii) Mr Durrani offered in the meeting held on or around 1 December 2016 to lend money to Mr McCourt;
 - iii) Mr McCourt agreed to accept £150,000 as a loan from Mr Durrani; and
 - iv) Mr Durrani then lent Mr McCourt £150,000.

51. MFG wrote to Mr Durrani's solicitors on 15 November 2018. They denied that Mr McCourt owed any money to Mr Durrani. They said that the £150,000 Transfer had come from Maggie Oldham. They denied that Mr McCourt had received any other funds at all from Mr Durrani except for £20,000 in August 2018. They said that was a personal loan only to be repaid when the property at Tregunter Road was sold. They did not explain why Mr McCourt had repaid £20,000 to Mr Durrani in February 2018 if Mr McCourt had not borrowed money from Mr Durrani. They did not say anything on behalf of Ms Coe.

52. Mr Durrani gave evidence, which was accepted by Ms Coe, that from May 2018 onwards Mr Durrani was suffering from an extremely serious, if not life threatening, medical condition. He received serious medical treatment for his condition, and this continued until the end of 2020. Mr Durrani described himself at this time as having “*a very strong desire to put [his] affairs in order*” for his family and daughter.
53. On 6 January 2019 solicitors acting for Mr Durrani served statutory demands. They were sent to Ms Coe (in relation to the £150,000 Transfer, the £6,000 Cash Payment and the 2017/2018 Transfers) and Mr McCourt (in relation to the same transfers and in addition the £50,000 Sound and Vision Transfer). These mirrored the amounts claimed in the letters from the solicitors in November 2018.
54. Ms Coe gave evidence that she felt physically sick on receiving these demands. She also said in her witness statement that this was the first time she knew of these demands. She was somewhat evasive when it was put to her in cross examination that she had known about this since at least November 2018 when she received the solicitors’ letter and spoke to her own solicitor. She said that what she meant was that she had not heard of statutory demands before, not that she had never heard of the alleged loans.
55. On 17 January 2019 Ms Coe emailed Mr Durrani to say the following:
- “I hereby acknowledge the debt owed to you and confirm that we are working on a sale of the property, 42 Tregunter Road, with a two-stage process. The debt will be paid out of funds received from the completion of the sale of the property.*
- As per our agreement today you will withdraw the statutory demand notices you have put in place”*
56. Ms Coe gave evidence that Mr Durrani had called her and told her what to write in the email. Ms Coe said that Mr Durrani had told her that if Ms Coe wrote the email then Mr Durrani would “*call the dogs off*” which she took to mean he would withdraw the statutory demands. In essence, Ms Coe said that she had written that email under duress and the court should ignore it.
57. Mr Durrani, on the other hand, said he would never have used that phrase. He wanted to make sure that the debt was properly recorded and once he had received the written confirmation of the debt then he did not proceed with the statutory demands.
58. Ms Coe was asked in cross examination why she had not merely said to Mr Durrani that £150,000 was lent to Mr McCourt and not her, and that the rest of the money had been a series of gifts. She gave evidence that she did not really understand what was going on and relied on Mr McCourt in relation to financial matters. She did not provide any clear explanation of why she said she would pay off debts to Mr Durrani from the proceeds of selling properties she co-owned if she did not owe Mr Durrani any money.
59. The relationship between Mr Durrani and Ms Coe does not seem to have been adversely affected by these events. During the following period there continued to be supportive messages between them especially regarding Ms Coe and Mr McCourt’s children and the emotional impact of the deaths of their respective mothers.

60. Mr Durrani also continued to provide support to Ms Coe's children, for example sending €300 for a ski trip for her daughter and offering to organise ski boots and other holiday items. He also sent food supplies such as a delivery of expensive steak and other food.
61. Ms Coe said that in April 2020 she finally moved out from the same house as Mr McCourt. At this point Mr Durrani transferred £5,000 directly to her. In July 2020 he made two further transfers of £5,000 and £1,449.21 (the "**£11,449.21 Transfers**").
62. Matters between Mr Durrani and Ms Coe seemed to come to a head in mid 2021. Mr Durrani asked Ms Coe to pass a watch of Mr Durrani's to her son so he could have it serviced. Ms Coe refused to hand it over and said she thought it was a gift. It seems that their close friendship broke down around this time.
63. In August / September 2021 solicitors for Mr Durrani again served statutory demand notices on Ms Coe and Mr McCourt.
64. On 8 October 2021 Ms Coe's solicitors wrote to dispute that Ms Coe owed Mr Durrani the monies claimed. They said that Ms Coe was not party to the £150,000 Transfer. They also said some of the other payments were gifts. This appears to be the first time that Ms Coe had said that any payments were gifts.
65. Mr Durrani and Sound and Vision issued proceedings against both Ms Coe and Mr Durrani in November 2022.

Arguments and conclusions

Were the £150,000 Transfer and the 2017/2108 Transfers loans from Mr Durrani to Mr McCourt?

66. In his Defence Mr McCourt did not deny that the £150,000 Transfer and the 2017/2018 Transfers were loans to him. His Defence was that the payments were loans "*sent on behalf of Maggie Oldham*" and not from Mr Durrani.
67. There is no witness evidence from Mr McCourt or anyone else that the payments came directly or indirectly from Maggie Oldham. There is no documentary evidence that this money came directly or indirectly from Maggie Oldham. There is, however, significant documentary and witness evidence that all these payments came from Mr Durrani.
68. Mr Durrani gave evidence on oath to the court that he was the source of all the transfers to Mr McCourt and Ms Coe. Ms Coe gave evidence on oath to the court that she believed that Mr Durrani was the source of all these payments and that her mother, Maggie Oldham, was not the source.
69. The documents show that the £150,000 Transfer came from an account with Link FX. Mr Durrani explained that he was a director of Link FX and had £150,000 in a directors' loan account there. The documents before the court showed that the transfer from Link FX was indeed from the directors' loan account. Ms Coe, in her Defence, claimed that she "*was and is not aware who Link FX PLC is nor how it is related to the parties*". In her evidence she amended this position to say that "*Link FX was Mr*

Durrani”. She explained that this was what she had intended to say all along, but it was in my view an example of her position and recollection evolving over time.

70. The documentary evidence in relation to the 2017/18 Transfers shows that they all came from accounts in Mr Durrani’s name.
71. Notwithstanding Mr McCourt’s position in his Defence that the money had come from Maggie Oldham, on 1 August 2018 Mr McCourt confirmed by email to Mr Durrani that “*you are owed in the region of £400,000 by us*”. That email does not refer to that money being owed to Maggie Oldham. It accepts that the money is owed to Mr Durrani. The £150,000 Transfers, the 2017/2018 Transfers and the £50,000 Sound and Vision Transfer are also the only amounts which Mr Durrani has claimed he is owed by Mr McCourt. Those sums together with interest to August 2018 were approximately £400,000.
72. There was a repayment on 19 February 2018 of £20,000 by Mr McCourt to Mr Durrani. Mr McCourt accepts that this payment was in repayment of a loan from Mr Durrani. The only loans in the documents before the court to which this could relate were the £150,000 Transfer or the 2017/2018 Transfers. This repayment is further evidence that Mr McCourt was borrowing money from Mr Durrani and knew he was not borrowing money from Maggie Oldham.
73. I am more than satisfied on the evidence above that Mr Durrani was the source of the £150,000 Transfer and the 2017/2018 Transfers. They were not from Maggie Oldham.
74. I note for the record that Maggie Oldham sent an email on 8 November 2018 to Mr McCourt and copied to Mr Durrani and Ms Coe in which she said that she was not the source of the money and that it had all come from Mr Durrani. There was no evidence that Mr McCourt ever replied to dispute the contents of that email. As Maggie Oldham could not be called to give evidence I did not, however, attach weight to the email or the lack of response.
75. I note finally that Mr McCourt denied knowing about the payment of £1,245.03 for council tax which Mr Durrani paid directly to the local authority in 2017. The documents show that this was payment of a joint liability of Mr McCourt and Ms Coe. Mr McCourt must have known that he was jointly liable with Ms Coe to pay council tax. In my judgment, this transfer plainly falls into the same category as the other 2017/18 payments, namely payments made for the benefit of the family finances of Mr McCourt and Ms Coe and which they had each generally asked Mr Durrani to lend them.

What were the terms of the loan from Mr Durrani?

76. I have determined that the £150,000 Transfer and the 2017/2018 Transfers were loans by Mr Durrani to, as a minimum, Mr McCourt. The terms on which Mr Durrani lent the money are unfortunately not clear. There is no documentary record of any interest being agreed or charged, nor of what the repayment terms were.

Interest rate

77. The Particulars of Claim said that the loan was to bear interest at 12% per annum.

78. Mr McCourt asserted in his Defence, in addition to claiming that the loans were from Maggie Oldham, that the loans were interest free and there was no date by which they were to be repaid. There is no witness or documentary evidence to back up these assertions by Mr McCourt.
79. Mr Durrani, on the other hand, gave evidence that at the meeting on or around 1 December 2016 (between Mr Durrani, Mr McCourt and Maggie Oldham) Mr McCourt offered to pay an interest rate of 12% per annum. Mr Durrani also gave evidence that at that time he was receiving 10% per annum on money in his directors account at Link FX from where the money had been transferred.
80. In evidence Mr Durrani was a little evasive when asked about whether he actually charged the interest, merely saying that he was “*never paid any interest*”. He implied that if he had been repaid promptly then he would not have charged interest. That may well be what would have happened, but it does not mean that when the loan was made Mr Durrani was pre-agreeing never to charge the interest Mr McCourt had offered to pay.
81. I accept Mr Durrani’s evidence that interest of 12% per annum was offered to him by Mr McCourt in the meeting and that Mr Durrani accepted that offer.

Obligation to repay

82. I find it more difficult to establish what exactly was agreed as regards repayment. All parties say that something was agreed about when the loan would be repaid; they just say different things about what they agreed. The particulars of claim say that the loan was repayable on demand and in any event within 12 months.
83. Mr Durrani subsequently asserted that he expected the loan to be repaid when some or all of the property at 42 Tregunter Street was sold. There seemed to be no expectation that this would occur in the short term.
84. In my judgment, it would be consistent with
- i) Mr Durrani wanting some control over how long he would be exposed to Mr McCourt’s financial situation;
 - ii) with Mr McCourt’s desperate need for money to stop the litigation collapsing and the family “*losing the roof over their heads*”; and
 - iii) the general unease that everyone felt about Mr McCourt’s ability to manage his finances,
- that some sort of timescale for repayment was discussed and agreed.
85. Mr Durrani says that the loan was to be repaid on demand. Mr Durrani did not, however, give evidence about when he told Mr McCourt that he (Mr Durrani) wished to be able to call for the money back at any time. If Mr Durrani had asked in the meeting for the right to immediate repayment then it seems to me inherently unlikely that Mr McCourt would have been able to agree to that – the money was going to be used the next day to pay his solicitors and he had no other immediate source of funds.

86. Mr Durrani gave evidence that Mr McCourt also offered to repay the money within 12 months at the latest. Mr Durrani said that the £150,00 came from his savings and it was a very significant sum of money for him. Mr McCourt had other business interests and ventures; it seems plausible to me that Mr Durrani expected Mr McCourt would be able to find a way of repaying it within 12 months.
87. Both Mr Durrani and Ms Coe also gave evidence that Mr Durrani expected to be repaid by Mr McCourt if the property was sold.
88. The evidence showed, in my view, that
- i) the property was expected to be sold in the medium term;
 - ii) Ms Coe and Mr McCourt expected to repay Mr Durrani when that happened; and
 - iii) Mr Durrani expected that he would be repaid at that point.

In the interim he might choose not to enforce a repayment obligation but it would enable him to ask for a charge over the property, or to take steps to expedite the sale. He organised, for example, people to view the property with a view to buying it. Mr McCourt had also told Mr Durrani in July 2018, only 18 months after the transfer was made, that he was sorting out “*getting ur funds returned to you*” which implies an expectation that they should have been repaid by then. It was also at this point that Mr Durrani sought to put a charge on the property as he had not been repaid.

89. I am satisfied that Mr McCourt offered to repay the loan from the proceeds of the litigation, which he claimed he was confident he would win, and that Mr Durrani had the right to be repaid within 12 months. I am also satisfied that even if Mr Durrani did not ask for the money back after 12 months it would in any event be repaid when the property was sold. In other words, the likely outcome was that Mr Durrani would not call for his money after 12 months unless the litigation was settled but he had the right to call for it after that 12 month deadline if he wanted.
90. I am not, however, satisfied that the evidence shows that Mr McCourt agreed that the loan would be repayable on demand.

Was the loan to be secured on the property?

91. In his witness evidence Mr Durrani said that the loan was also to be secured on the property at 42 Tregunter Road. This was not pleaded in his particulars of claim. It is not clear whether in his evidence Mr Durrani was saying this was a contractual term, or an understanding, or merely a vague hope. Mr Durrani also did not give evidence as to which specific flat (or flats) at the property he intended to take security over.
92. The £150,000 loan was advanced almost immediately after Mr Durrani agreed to make it and certainly before any steps were taken to put a legal charge on any property. Indeed, the next mention of the legal charge seems to have been almost two years later in August 2018 when Mr Durrani raised the issue with Mr McCourt and instructed his solicitors to put a charge in place. Ms Coe and Mr McCourt resisted putting a charge in place at that time and no charge was ever registered.

93. Ms Coe said in evidence that they all knew that there was a potentially valuable property owned by Ms Coe and Mr McCourt that was to be sold in due course. I infer from that and the evidence generally that they all expected that when it was sold that Mr Durrani would be repaid. That is of course fundamentally different from a binding agreement in December 2016 to grant a legal charge over a specific property within a known timescale.
94. In August 2018 two years had passed since the loan was made. Mr Durrani had not been repaid nor was the property being sold, Mr Durrani sought to put a charge in place to protect his position. This decision in 2018 to seek to place a charge on the property is entirely consistent with the steps he took when he was unable to secure that charge, namely to issue a statutory demand to either obtain repayment or confirmation of monies owed to him and which had not been repaid. It is also consistent with there being no agreement in 2016 to put a charge in place at that time.
95. Taking the above evidence together, in my judgement the loan agreement in 2016 did not include, and the parties did not intend it to include any legally binding obligation to put a charge over any identified property. There was, at best, an understanding that at some future date a charge might be put in place if the loan had not been repaid at that point and if agreed at the time.

Summary of terms of loan of £150,000

96. In conclusion, I find that the terms of the loan that were agreed were that:
- i) It was to be repaid on the earliest of
 - a) A favourable settlement of the litigation; and
 - b) 12 months after the date of the loan
 - ii) It was also to be repaid in any event when the property was sold even if Mr Durrani had not called for repayment after 12 months.
 - iii) It was to bear interest at the rate of 12% per annum unless some or all of the interest was waived by Mr Durrani, which it never has been; and
 - iv) It was not to be secured on an identified property interest and was not repayable on demand.

Terms of the loans in 2017/2018

97. There was less evidence before the court about the terms, or any discussion of terms, regarding the 2017/2018 Transfers. The evidence was, in essence, limited to the facts that:
- i) on 27 July 2018 and 1 August 2018 in his emails to Mr Durrani Mr McCourt treated all the money received in the £150,000 Transfer, the 2017/2018 Transfers and the £50,000 Sound and Vision Transfer in the same way;
 - ii) in discussions in September 2018, and generally, as regards repayment of proceeds and the granting of charges, all the transfers were treated in the same

way; and

iii) Mr Durrani's witness evidence that when he made these transfers he told both Ms Coe and Mr McCourt that the loan was on the same terms as the £150,000.

98. There is, on the other hand, no evidence at all that subsequent loans were to be treated on a different basis to the £150,000 Transfer.

99. I note for the record that when Mr McCourt repaid £20,000 in February 2018 this was repayment of an advance made less than a month before. There was no interest charged. I find this as corroborating Mr Durrani's evidence that if he was repaid promptly that he might waive interest, and not that he was agreeing never to charge interest even if the loans were repaid years later.

100. I find, on balance, that the evidence shows that the 2017/2018 Transfers were made on the same terms as the £150,000 Transfer.

Were the £150,00 Transfer and the 2017/2018 Transfers loans to Ms Coe and Mr McCourt jointly or were they gifts to Ms Coe?

101. Mr Durrani relies, effectively, on all payments coming from him as being part of a series of loans for which Ms Coe was jointly responsible.

102. Mr McCourt accepted that the £150,000 Transfer was a loan to him. Mr McCourt said in his Defence that Ms Coe was not, however, a party to that loan. He said, on the other hand, that the 2017/2018 Transfers were "*providing funds to help out the family*" and did not claim they were only for him.

103. Ms Coe denied that the £150,000 Transfer was a loan to her because she said it was loan solely to Mr McCourt.

104. In paragraph 9 of her Defence Ms Coe effectively denied receiving the payments in the 2017/2018 Transfers and put Mr Durrani to proof that the monies were transferred to her. She followed that in paragraph 10 by saying that if she had received any payments in the 2017/2018 Transfers then they were on behalf of Mr McCourt. She did not claim that any 2017/2018 Transfer was a gift. She only claimed that the £6,000 Cash Payment and the £11,449.21 were gifts.

105. By the time of the trial she also seemed to claim that if the 2017/2018 Transfers had not been loans directly to Mr McCourt then they were gifts to her. She said they were gifts because she and Mr Durrani had been in a deep and loving relationship. Mr Durrani, on the other hand, said they had been very close friends and this had "*overstepped the mark*" on about six occasions "*many, many years ago*" but denied the depth of relationship alleged by Ms Coe. He said that now believed that she was exaggerating their relationship to avoid repaying loans made in good faith at the time. There was little or no documentary evidence on this point, which ultimately went to the likelihood of the transfers being gifts as opposed to loans, but not to any other issues in the case.

106. I turn first to the £150,000 Transfer. It was used to fund legal costs in litigation. This related to claims Mr McCourt believed he had regarding a property development in the Cotswolds. It was common ground that neither Mr Durrani nor Ms Coe were

actively involved in this litigation, nor particularly aware of its progress. They both expressed scepticism about the likelihood of Mr McCourt recovering money in the litigation. It is difficult to know the extent to which that was their view at the time or whether this is their view having seen how events unfolded. In any event, the money was transferred at a time when the family finances were under general strain, even if the immediate purpose was the payment of legal fees. There was no indication that if the litigation was successful the money would belong solely to Mr McCourt rather than being part of the ongoing family “pot” belonging to Ms Coe and Mr McCourt.

107. Mr Durrani gave evidence that he had a specific call with Ms Coe and Maggie Oldham in November 2016 in which Ms Coe formally confirmed that she was responsible as a joint borrower. Ms Coe denied that there was any call. This call is now over eight years ago and was probably not a long call. The difficulties for witnesses in accurately recalling conversations from many years beforehand are well known. Furthermore, Ms Coe even at the trial was clearly not used to attaching precise legal labels to payments. On several occasions questions that were put to her had to be rephrased to help her give a clear answer.
108. The transfer was large in amount, and it was the first time that Mr Durrani had supported the family in this way. Given
- i) this background,
 - ii) the likelihood that there was some discussion with Ms Coe because Mr Durrani was sending money to her;
 - iii) the general misgivings about Mr McCourt’s financial management; and
 - iv) Ms Coe’s concerns about the family finances at this time,

on balance I accept Mr Durrani’s evidence that there was a call between Mr Durrani, Maggie Oldham and Ms Coe. I doubt, however, that the call was as precise as Mr Durrani now says it was. If he was that prescriptive about his need to set out the joint liability of Ms Coe and Mr McCourt then it is likely that he would have subsequently put it in writing. It is, in my judgment, more likely that there was a call but that it was quite loose in its language. It would certainly have covered the fact that he was about to transfer £150,000 to Ms Coe. In my judgment, it would also have also covered the fact that it was to be repaid from the litigation or within 12 months, especially bearing in mind the very urgent financial circumstances of both Ms Coe and Mr McCourt which were threatening their entire family livelihood.

109. I do not consider that the evidence shows that Ms Coe spent time considering the precise legal nature of the £150,000 Transfer or whose legal obligation it was to repay it. I am satisfied from the evidence, however, that she believed the following:
- i) That the money was for the benefit of her family, even if she did not approve of the litigation on which it would be spent;
 - ii) The money was to be sent to her and then passed to Mr McCourt;
 - iii) The money was to be repaid to Mr Durrani;

- iv) The money would be repaid from the litigation if it was successful, and the proceeds (and liabilities) of the litigation were (directly or indirectly) part of the general family assets;
 - v) It would be repaid from other family funds if the family had such funds; and
 - vi) If it was not repaid by either of those methods then it would be repaid from the profit she and Mr McCourt would jointly make from selling the whole or part of the house.
110. As a matter of fact, she therefore believed that the £150,000 was a loan, that it would be repaid and that the repayment would come from her and Mr McCourt's joint assets. It follows that she had all the knowledge and belief for it to be a joint loan even if she did not actively consider the precise legal description at that time. The obligation to repay the £150,000 Transfer is, in my judgment, a joint obligation.
111. I turn now to the 2017/2018 Transfers. The transfers were largely made to Ms Coe's own account. The evidence shows that she was actively involved in asking for these payments. The transfers were used to pay family expenses of varying descriptions. Some of the expenses were probably incurred solely by her such as food she bought. Some were joint expenses such as mortgage payments. They can all be categorised as collective expenses of the family. There were also several gifts to Ms Coe and her children. Mr Durrani buying gifts for the family is, however, in my view quite different in nature to him making bank transfers of large round sums. I do not draw the inference that because Mr Durrani gave some gifts to Ms Coe and her family that the money transfers were also gifts.
112. I note that Ms Coe did not dispute that there was an obligation to repay Mr Durrani when she received the letters from his solicitors in November 2018. She did not dispute that there was an obligation to repay Mr Durrani in January 2019 when she received statutory demands. The documents show that she seemed to accept that these were loans made to Mr McCourt; at best she believed that because they had been made solely to Mr McCourt she had no liability. There is no indication in any of the few documents, texts and whatsapp that do exist that she thought these were gifts.
113. I consider it likely that she and Mr Durrani spoke about the email she sent him on 17 January 2019. The style of the email is quite legalistic and is consistent with Mr Durrani having told her what to write. The purpose of the email was to record the amounts owing. I am satisfied that Mr Durrani indicated to Ms Coe that if she did this then he would not chase the statutory demands. That is, however, a perfectly legitimate course of action when you are owed money. It is entirely consistent with Ms Coe believing that Mr Durrani was owed money and would be repaid from the sale of the property when it happened. At this stage she had been told in plain words that Mr Durrani was owed money, he wanted a charge over the joint property and he wanted confirmation of the amount owed. At no point in this process did Ms Coe say that the money was actually a gift or that she did not owe it.
114. It seems that at some point her claim that the small amounts transferred in 2020 and the £6,000 Cash Payment were gifts was expanded to cover all the payments she received. I do not need to speculate as to why this occurred, but the fact she did not

think they were gifts until well into the litigation is evidence in my view that she did not think they were gifts when she received them.

115. I note finally that there is no evidence from the time of those transfers that they were gifts. There is no text, email or whatsapp from Mr Durrani talking of gifts. There is no such communication from Ms Coe accepting or thanking him for gifts. As indicated above, however, there is little documentary evidence at all in this case and I do not attach weight (either way) to the absence of such evidence when determining if the payments were gifts.
116. I am, therefore, satisfied that Ms Coe continued to believe during 2017 and 2018 that the transfers being made were the same as the transfer of £150,000 in December 2016. In particular I am satisfied that she expected that the money was being lent and would be repaid on the same basis.
117. At one point I was invited by Mr Black to conclude that the transfers to Ms Coe were likely to have been gifts because Mr Durrani was a businessman, and businessmen make written records of their loans. Mr Black accepted however that the £150,000 Transfer to Mr McCourt was clearly a loan, and that was not documented. Whilst Mr Black's statement may be true generally, I did not consider that Mr Durrani was normally in the habit of documenting his loans. I did not draw any adverse inference from his failure to record the payments to Ms Coe as loans.
118. In conclusion, I am satisfied that the evidence shows that the £150,000 Transfer and the 2017/2018 Transfers were loans made jointly to Ms Coe and Mr McCourt and on the terms set out in paragraphs 96 and 100 above.

The £6,000 Cash Transfer

119. Mr Durrani gave evidence that he provided the euro equivalent of £6,000 cash which was to be used for a family ski-ing holiday. He could not remember any specific date when this took place, merely saying it was "*in early 2017*".
120. Mr McCourt said in his Defence that he knew nothing of the payment. Ms Coe said in her witness evidence that she knew nothing of the handing over of this cash. She said that in any event if it was for a ski-ing holiday then she did not go on that holiday and that was solely for Mr McCourt and her children.
121. There was no documentary evidence that this payment was made. In the particulars of claim Mr Durrani did not say to whom he made the payment. In his witness statement Mr Durrani says he paid the cash to Ms Coe.
122. It was common ground that over many years Mr Durrani made a number of payments for the benefit of Mr McCourt and Ms Coe's children. This included payment for a (separate) ski-ing holiday for their daughter and offering to buy her ski clothing and passes. He also made numerous non-financial gifts particularly to Ms Coe. This trip was a family holiday on which the children were going.
123. I also note that the payment was cash handed over to Ms Coe. That is very different in nature to a bank transfer for payment of a mortgage, council tax or similar.

124. On balance, in my judgment, if there was a payment of £6,000 then it was a gift by Mr Durrani towards a family holiday, in a manner that is consistent with other specific gifts he made. It is not a loan that is repayable by either Mr McCourt or Ms Coe. Given that conclusion, I do not need to decide whether as a matter of fact the payment was actually made.

The £11,449.61 Transfers

125. These transfers were made in April and July 2020. They were made at the time when Ms Coe moved out from the house she shared with Mr McCourt. It was also the start of the CoVid pandemic and Maggie Oldham had just died. There are text messages showing that Mr Durrani was sending other support at this time, including food for her and her children.
126. These transfers were made long after Mr Durrani had made formal demands for return of the other alleged loans. They were made long after Mr Durrani had lent £40,000 to Emma Oldham. Mr Durrani had set out clearly in a text message to Emma Oldham that the £40,000 was a loan. He said in evidence that was because by 2018 he was very worried that Ms Coe and Mr McCourt were denying the existence of loans made by him. He gave witness evidence that after 2018 he would have made sure that any loan he made was clearly recorded as such. Despite this, the transfers of £11,449.21 were never recorded by him as being loans.
127. I am not satisfied that Mr Durrani has shown that these payments were loans. I consider that the evidence shows, and I infer from his lack of documenting these as loans, that they were intended by him to be gifts.

The £50,000 Sound and Vision Transfer

128. Mr McCourt's position in his Defence was that he "*does not know who Sound and Vision are and has never had any dealings with them*" and that "*Around this time Maggie Oldham lent another £50,000*". Mr McCourt did not dispute that the £50,000 was a loan.
129. There is no documentary or other evidence to support Mr McCourt's position that the money came from Maggie Oldham. There is, however, documentary evidence that Mr Durrani authorised the £50,000 Sound and Vision Transfer and that the transfer came from Sound and Vision, a company controlled by Mr Durrani. It also went to an account in the name of "a mccourt".
130. It is clear to me that the Sound and Vision Transfer did not come from Maggie Oldham. It simply came from Sound and Vision and was authorised by Mr Durrani. Having decided that the money came from Mr Durrani it follows that Mr McCourt is liable to Mr Durrani to repay that loan.
131. Mr Durrani gave evidence that he thought Ms Coe jointly owed £50,000 to Sound and Vision. There is no documentary evidence to support this.

132. Ms Coe gave evidence that she knew nothing of Sound and Vision or the transfer from it. Unlike almost all the other transfers from Mr Durrani, this transfer went directly to the account of Mr McCourt. It never passed through Ms Coe's account. She gave evidence that she was not even aware of the payment until she eventually received a claim in relation to it in 2020 or 2021.
133. The concept of separate legal personality is a core principle of English law. The assets of Mr Durrani are not the assets of Sound and Vision. The actions of Mr Durrani in his personal capacity are not the actions of Sound and Vision. There is no evidence that Mr Durrani was acting in his capacity as a director of Sound and Vision in any conversation he says he had with Ms Coe. There is no evidence before the court that Sound and Vision had any relationship with Ms Coe, let alone a contractual relationship regarding a loan. There is also no evidence, and Mr Durrani did not claim, that Ms Coe had ever agreed that she would be liable to any company associated with Mr Durrani that, unknown to her, ever lent money to Mr McCourt. There is, in short, no evidence that Ms Coe had agreed to be liable to Sound and Vision to repay the money it transferred to Mr McCourt.
134. When Ms Coe emailed Mr Durrani in 2019 acknowledging that she owed him some money she did not make any mention of owing Sound and Vision any money. Her email referred to "*the debt*". Mr Colclough said, on behalf of Mr Durrani, that those words referred to the entirety of the debt as set out in the statutory demand sent to Ms Coe just before the email. That statutory demand was only from Mr Durrani. There was no such demand from Sound and Vision. It was not therefore evidence that Ms Coe owed money to Sound and Vision.
135. There is also evidence that Mr Durrani and his legal advisers did not consider that Ms Coe owed money to Sound and Vision. The letter from his solicitors in November 2018 in relation to Sound and Vision asserted that it was money owed only by Mr McCourt. The same position was maintained in the statutory demands sent in January 2019.
136. In my judgment there is little cogent evidence that Sound and Vision lent £50,000 to Ms Coe either solely or jointly with Mr McCourt. It lent £50,000 solely to Mr McCourt.
137. The evidence relating to the terms of the loan from Sound and Vision is the same as that in relation to the 2017/2018 Transfers set out in paragraphs 97- 100 above. For the same reasons, I find that the £50,000 Sound and Vision Transfer was a loan made on the same terms.

Consequential matters

138. I invite the legal representatives to agree the appropriate order to reflect this judgment. I also invite the legal representatives to agree all costs and appropriate ancillary orders. If they have not done so by 4pm on Monday 25 November 2024 then the Claimants shall by that time serve a draft order on the Defendants and the court identifying what points are not agreed together with written submissions in relation to those points that are not agreed. The Defendants shall have permission to serve written submissions in response on the Claimants and the court by 4pm on

Wednesday 27 November 2024 following which the court will determine the matter on the papers or make such further order as it determines appropriate.

15 November 2024