

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 6 8 2 7 2 8 5

Company name in full Tiddlypeeps Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Steven John

Surname Currie

3 Liquidator's address

Building name/number Ground Floor

Street 10 King Street

Post town

County/Region Newcastle under Lyme

Postcode S T 5 1 E L

Country

4 Liquidator's name ①

Full forename(s) Gareth Graham

Surname Self

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Suite 44, Dunston House

Street Dunston Road

Post town Chesterfield

County/Region Derbyshire

Postcode S 4 1 9 Q D


Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report																
From date	^d	1	^d	0	^m	1	^m	1	^y	2	^y	0	^y	2	^y	2	
To date	^d	0	^d	9	^m	1	^m	1	^y	2	^y	0	^y	2	^y	3	
7	Progress report																
	<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date																
Liquidator's signature	Signature X 												X				
Signature date	^d	0	^d	4	^m	0	^m	1	^y	2	^y	0	^y	2	^y	4	

LIQ03

Notice of progress report in voluntary winding up



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Lynn Churchill**

Company name **Currie Young Limited**

Address **Ground Floor**

10 King Street

Post town

County/Region **Newcastle under Lyme**

Postcode **S T 5 1 E L**

Country

DX

Telephone **01782 394500**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Tiddlypeeps Ltd
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 10/11/2022 To 09/11/2023 £	From 10/11/2022 To 09/11/2023 £
	ASSET REALISATIONS		
	Bank Interest Gross	5.74	5.74
Uncertain	Directors Loan Account	NIL	NIL
NIL	Furniture & Equipment	NIL	NIL
8,739.00	Rate Refund	8,738.68	8,738.68
		8,744.42	8,744.42
	COST OF REALISATIONS		
	Office Holders Fees	6,000.00	6,000.00
	Statutory Advertising	190.00	190.00
	VAT	1,238.00	1,238.00
		(7,428.00)	(7,428.00)
	PREFERENTIAL CREDITORS		
(3,777.00)	HMRC PAYE	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(83,245.00)	Banks/Institutions	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(10.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(78,293.00)		1,316.42	1,316.42
	REPRESENTED BY		
	Bank 1 Current		1,316.42
			1,316.42

Note:

Joint Liquidators' Annual Progress Report to Creditors & Members

Tiddlypeeps Ltd - In Creditors Voluntary Liquidation

Reporting Period:

10 November 2022 to 9 November 2023

Date of issue:

4 January 2024

TIDDLYPEEPS LTD - IN LIQUIDATION

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1 Introduction and Statutory Information

- 1.1 I, Steven John Currie of Currie Young Limited, Ground Floor, 10 King Street, Newcastle under Lyme, ST5 1EL, was appointed as Joint Liquidator of Tiddlypeeps Ltd (the Company) on 10 November 2022, together with Gareth Graham Self of Restart Business Turnaround Insolvency Limited, Suite 44 Dunston House, Dunston Road, Chesterfield, Derbyshire, S41 9QD. We are authorised to act as Insolvency Practitioners (IPs) in the UK by the Insolvency Practitioners Association.
- 1.2 In the event of case related queries, the lead Liquidator (myself) can be contacted by telephone on 01782 394500 or by email at sjc@currieyoung.com
- 1.3 This progress report covers the period from 10 November 2022 to 09 November 2023 (the Period) and is the first report to creditors.
- 1.4 As IPs we are bound by an Insolvency Code of Ethics (the Code) and we have a duty to continually review and consider the principles of the Code. During the Period we confirm that no issues have arisen which might cause a threat to the fundamental principles contained within the Code.
- 1.5 Creditors are reminded that the principal trading address of the Company was Pool Farm, One Dyers Lane, Iron Acton, Bristol, BS37 9XU.
- 1.6 The registered office of the Company has been changed to c/o Currie Young Limited, Ground Floor, 10 King Street, Newcastle Under Lyme, ST5 1EL and its registered number is 06827285.
- 1.7 Finally, information about the way that this firm and I will use and store personal data on insolvency appointments, can be found in the attached Privacy Notice at Appendix D. The privacy notice of the Joint Liquidator can be found on his website at www.restratbti.co.uk

2 Receipts and Payments

- 2.1 At Appendix A is our Receipts and Payments Account (R&P) covering the Period of this report.
- 2.2 In section three below, you will find an update on the progress made during the Period in realising the Company's assets and dealing with its affairs. Comments made on specific entries on the R&P are made alongside this information.
- 2.3 I can confirm that the R&P has been reconciled against the bank account to the end of the Period.

3 Progress of the Liquidation

- 3.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period together with an explanation of the work done by the Joint Liquidators and their staff.
- 3.2 The headings used to categorise the work completed during the Period, are as suggested in best practice document Statement of Insolvency Practice Number 9 (SIP 9), being guidance as regards to payments made to office holders and their associates from an insolvent estate. There is then at section five of this report a link to a 'Creditors Guide to a Liquidators Fees' detailing how a Liquidators should explain the work carried out by them and their staff, together with details of how they should disclose the remuneration drawn / proposed to be drawn for such work.
- 3.3 Remuneration was approved on 10 November 2022 by creditors on a set fee basis, and it was agreed that only my firm be remunerated as I act as the lead IP. The Joint Liquidator is

to be reimbursed for disbursements / expenses only. References to fees information or to 'I' / 'my' are in reference to the remuneration drawn by Currie Young Limited only.

3.4 I now turn to each category of work:

Administration and Planning (including statutory compliance & reporting)

3.5 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work I anticipated would need to be done in this area was outlined to creditors in my initial fees information which was approved by creditors on 10 November 2022 alongside the appointment decisions.

3.6 The work during the Period will include the following tasks:

- Creation and update of case files on the firm's insolvency software
- Opening, maintaining, and managing the insolvent estate cashbook and bank account; bank accounts are reconciled either monthly or quarterly, depending on the level of monies held and the frequency of transactions
- Complying with statutory duties in respect of my specific penalty bond and that of the Joint Liquidator
- Notifying creditors of the appointment of the Liquidators, and other associated formalities including statutory advertising and filing relevant statutory notices
- Completion and filing of the notice of the insolvency with HMRC
- Securing the insolvent's books and records – I have obtained some electronic records, but the director advised that the remaining records were destroyed by flooding
- Preparing a case strategy note to record all known assets, risks, and investigatory matters as required.
- Drafting and issuing the fees information to creditors, convening a decision on the same and monitoring the decision, culminating in a record of the decision being drawn up
- Lodging periodic returns with the Registrar of Companies
- Periodic case progression reviews (typically at the end of Month 1 and every 6 months thereafter) to ensure case strategy is being followed / adapted as required and the assignment is compliant with legislation
- Dealing with all post-appointment VAT and corporation tax compliance as applicable to the proceedings
- General case filing and keeping the Joint Liquidator up to date

3.7 This list may not include all work carried out but provides a very good overview of work which has been attributed to this category during the Period.

3.8 As noted in my initial fees estimate, the majority of this work has/will derive no financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, minimising costs, and avoiding duplication of work. A clear case strategy and strong internal processes add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.

Realisation of Assets

- 3.9 The following realisations / receipts are recorded on the R&P, as per Appendix A, for the Period:

Business Rates Refund

- 3.10 The Director's estimated Statement of Affairs (SoA) noted an asset in relation to a Business Rates Refund in the sum of £8,739. An amount of £8,738.68 was subsequently received as per the R&P.

Bank Interest, gross

- 3.11 Bank interest has accrued during the Period in the sum of £5.74. The bank account has since been removed from interest bearing terms thereby removing the obligation to complete post liquidation Corporation Tax returns.

- 3.12 I then make the following comments on the categories of assets which appeared on the SoA but with no realisation, together with a potential insurance claim which did not appear on the SoA:

Furniture and Equipment

- 3.13 As per the report provided to creditors alongside the SoA, and then my fees information document, the 2021 accounts included some residual furniture with a book value of £640. This has been written off for commercial reasons.

Directors Loan Account

- 3.14 My prior note indicated a loan account in the 2021 accounts which was overdrawn by £17,393 and stated to be at £10,000 at the date of my appointment. I then received £3,000 against the pre-appointment costs of this firm to liquidate (outside of this process) and evidence that the Director had paid £4,432 to HMRC on behalf of the Company thus reducing the £10,000 further. The estimated book value of the loan account was £2,568 with an estimated to realise value of 'uncertain.'

- 3.15 During the Period and stemming from bank analysis completed under standard investigations (see 'Investigations' below) some further enquiries have been made and continue currently. It is not known at this point if a further recovery will be made.

Covid related insurance claim

- 3.16 Following my appointment, I became aware that the Director on behalf of the Company had signed terms with Covid Claims UK, who were seeking to lodge claims on behalf of Companies for losses as a direct result of the Covid 19 pandemic. As the claim is on behalf of the Company, I have enquired with Covid Claims who advise that any claim would be made against a policy held with Aviva, and I have requested an update.

- 3.17 This matter is highly contingent, and the terms are likely to see Covid Claims UK paid for their efforts ahead of any net benefit to the estate. A further update will be provided in due course.

- 3.18 Currently, it is not anticipated that the work the Liquidators have carried out to deal with the Company's assets will provide a financial benefit to creditors. This is because the value of the assets is presently insufficient to produce a financial benefit after the associated costs of realisation have been taken into consideration.

Cost of Realisations

- 3.19 The following costs have been discharged from the funds in hand during the Period as a statutory cost, part of my agreed remuneration, a Category 1, or a Category 2 expense. Please see the charging policies at Appendix C for definitions of expenses:

Office Holders fees

- 3.20 In accordance with the resolutions passed by creditors I have drawn £6,000 plus VAT (irrecoverable as the Company was not registered for VAT) against the set fee agreed by creditors.
- 3.21 Further information regarding my remuneration can be found at section five below.

Statutory Advertising

- 3.22 In accordance with statute, I have placed the following notices in the London Gazette:
- Notice of the resolutions to wind-up the Company
 - Notice of my appointment as Liquidator
- 3.23 The sum of £190 plus VAT has been paid to the advertising agent EPE Reynell Advertising Limited as a Category 1 expense.

VAT

- 3.24 VAT is treated as an expense with £1,238 incurred during the Period, as against the above noted costs.
- 3.25 Further information regarding costs and expenses incurred as a whole on the assignment (to include expenses yet to be paid) can be found at Appendix C.

Creditors (claims and distributions)

- 3.26 The Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 3.27 Since 1 December 2020, claims from preferential creditors now fall into one of two categories, either ordinary (typically involving employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal, which rank equally among themselves), or secondary (which are claims by HMRC for VAT or other relevant tax deductions such as PAYE and employee NIC deductions, together with student loans and CIS deductions, which also rank equally among themselves). Ordinary preferential claims rank ahead of secondary preferential claims and all preferential creditors must be paid in full before any distribution can be made to the unsecured creditors of a company.
- 3.28 Work undertaken by the Liquidators in dealing with a company's creditors may only therefore bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however the Liquidators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidators in dealing with those claims.
- 3.29 At this stage, I consider the following matters worth bringing to the attention of creditors:

- There are no known secured creditors in this matter
 - The SoA recorded secondary preferential claims in respect of HMRC PAYE, in the sum of £3,777. I am yet to receive a claim from HMRC
 - There were three unsecured creditor claims in this case with a value per the Directors SoA of £83,245. I have received claims from all three unsecured creditors totalling £77,663 and believe one claim might have been reduced under a personal guarantee
- 3.30 More information on the anticipated outcome for all classes of creditor in this case can be found in section four below.

Investigations

- 3.31 Some of the work the Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidators can pursue for the benefit of creditors.
- 3.32 I can confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 3.33 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment considered any information provided by creditors.
- 3.34 At this point I have some outstanding enquires to be made in relation to the Directors Loan Account as indicated above. An update will be provided in my next report.
- 3.35 Some of this work has been carried out to comply with statutory requirements and may not be of any direct benefit to creditors, but some work is being carried out in the hope of achieving further realisations which may or may not benefit creditors, depending on whether a recovery is achieved, and the cost associated in achieving the same.

Matters still to be dealt with

- 3.36 As per information above, final reviews of the DLA and progression of the assignment to Covid Claims UK, to establish whether any such claim has 'legs' and if so whether any such claim would be of a commercial benefit to creditors.

4 Creditors

Secured creditors

- 4.1 There are no known secured creditors.

Preferential Creditors

- 4.2 As detailed above HMRC are noted as a secondary preferential creditor on the SoA for £3,777. Their claim is outstanding.
- 4.3 At this stage there is no anticipated distribution to preferential creditors.

Unsecured Creditors

- 4.4 The Director's SoA indicated there were three creditors whose debts totalled £83,245. To date, I have received claims totalling £77,663 from all three creditors.
- 4.5 I have also then received some communication from former customers of the Company who have requested that deposits be returned to them but as yet no formal claims. The Director has indicated that on cessation to trade all customers were invited to reclaim deposits, but some did not and that remaining funds were not ring fenced.
- 4.6 The Company did not grant any floating charges to a secured creditor. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors (known as the Prescribed Part), which only applies to charges created after 15 September 2003.
- 4.7 Attached at Appendix B is an updated Estimated Outcome Statement for the liquidation. This represents my estimate of the outcome of the liquidation as at the end of the Period covered by this report. Further updates on the anticipated outcome to creditors will be provided in subsequent reports, however you will note that it is currently anticipated there will be insufficient funds realised after defraying the expenses of the liquidation to pay a dividend to unsecured creditors.

5 Liquidator's Remuneration

- 5.1 The basis of my remuneration was agreed as a set amount of £30,000, on 10 November 2022. To date an amount of £6,000 plus VAT has been drawn against the total set fee agreed.
- 5.2 The final amount paid to my firm against the agreed set fee will be confirmed in my subsequent progress reports / final account to be issued in due course.
- 5.3 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/liquidation-a-guide-for-creditors-on-insolvency-practitioner-fees/>

- 5.4 Attached as Appendix C is additional information in relation to the Liquidator's fees and expenses including where relevant, information on the use of subcontractors and professional advisers.

6 Creditors' Rights

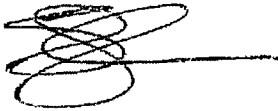
- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidators provide further information about his remuneration or expenses which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive.

7 Next Report

- 7.1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final account.

- 7.2 If you have any queries in relation to the contents of this report, I can be contacted by telephone on 01782 394500 or by email at sjc@currieyoung.com.

Yours faithfully

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Steven John Currie
Joint Liquidator

Appendix A

Receipts and Payments Account for the Period from 10 November 2022 to 09 November 2023

**Tiddlypeeps Ltd
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 09/11/2023**

S of A £		£	£
	ASSET REALISATIONS		
NIL	Furniture & Equipment	NIL	
8,739.00	Rate Refund	8,738.68	
Uncertain	Directors Loan Account	NIL	
	Bank Interest Gross	5.74	
			8,744.42
	COST OF REALISATIONS		
	Office Holders Fees	6,000.00	
	VAT	1,238.00	
	Statutory Advertising	190.00	
			(7,428.00)
	PREFERENTIAL CREDITORS		
(3,777.00)	HMRC PAYE	NIL	
			NIL
	UNSECURED CREDITORS		
(83,245.00)	Banks/Institutions	NIL	
			NIL
	DISTRIBUTIONS		
(10.00)	Ordinary Shareholders	NIL	
			NIL
(78,293.00)			1,316.42
	REPRESENTED BY		
	Bank 1 Current		1,316.42
			1,316.42

Note:

Tiddlypeeps Limited
Estimated outcome statement as of 9 November 2023

<u>Assets as per Statement of Affairs</u>	Funds in hand	Future realisations	Total
Fixtures and Fittings	Nil	NIL	NIL
Rates refund	£ 8,739.00	NIL	£ 8,739.00
Director Loan Account	£ -	Uncertain	Uncertain
Bank Interest, Gross	£ 5.74	-	£ 5.74
Insurance claim	£ -	Uncertain	Uncertain
<u>Total assets</u>	£ 8,744.74	£ -	£ 8,744.74

<u>Costs of Realisation</u>	Paid to date	Incurred to date / due	Total anticipated
Advertising	£ 190.00	-	£ 190.00
Specific Penalty Bonds	-	£ 388.00	£ 388.00
External Storage	-	-	£ 100.00
Postage costs	-	£ 5.38	£ 20.00
Storage boxes	-	-	£ 20.00
Proposed set fee	£ 6,000.00	£ 24,000.00	£ 30,000.00
Irrecoverable VAT	£ 1,238.00	£ 4,905.60	£ 6,143.60
<u>Total Costs</u>			£ 36,861.60

Anticipated shortfall as to proposed costs **(£28,116.86)**

Without a recovery beyond the rates refund from the DLA or insurance claim, there will be a shortfall to costs and no distribution to any class of creditor

Appendix C

Additional Information in Relation to the Liquidator's Fees, Expenses & the use of Subcontractors

Staff Allocation and the use of Subcontractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

We have not utilised the services of any subcontractors on this case.

Professional Advisors

We have not utilised the services of any professional advisors on this case.

Liquidator's Expenses

The estimate of expenses which were anticipated at the outset of the liquidation was provided to creditors when the basis of my fees was approved. The table below compares the anticipated costs against those incurred to date.

Category 1 expenses

These expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses may include disbursements which are payments first met by an office holder and then reimbursed from the estate.

Estimate of Currie Young Limited

Expense	Estimated overall cost £	Paid in the period covered by this report £	Incurred but not paid to date £
Legal fees & expenses	2,000.00 - 10,000.00	-	-
Statutory advertising	190.00	190.00	-
Specific Penalty Bond	194.00	-	48.00
External storage costs	100.00	-	-
Pension advice	500.00	-	-
Land Registry	30.0	-	-

Estimate of Restart BTI

Expense	Estimated overall cost £	Paid in the period covered by this report £	Incurred but not paid to date £
Specific Penalty Bond	194.00	-	TBC

Category 2 expenses

These expenses do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may therefore include payments to associates of the office holder or shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Details of Category 2

TIDDLYPEEPS LTD - IN LIQUIDATION

expenses charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors.

Estimate provided by the Joint Liquidator from Currie Young Limited

Expense	Estimated overall cost £	Paid in the period covered by this report £	Incurred but not paid to date £
Business mileage	100.00	-	-
External storage costs	20.00	-	-
Postage charges	100.00	-	5.63

**CURRIE YOUNG LIMITED'S CHARGING POLICY IN RESPECT OF INSOLVENT ESTATES,
WHERE REMUNERATION IS BASED ON A SET FEE / PERCENTAGE OF REALISATIONS**

INTRODUCTION

This note applies where a licensed Insolvency Practitioner (IP) within the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw his/her remuneration as a set fee / a percentage basis, or a combination of the two.

It further applies where information is to be provided to creditors or other interested parties, regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on the proposed bases.

The note then also applies where creditor approval is required or sought, to make a separate charge by way of an expense or a disbursement described as a Category 2 expense (see definition below).

Best practice guidance¹ requires that this information be disclosed to those who are responsible for approving payments to be made to an office holder and to their associates from an insolvent estate.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate but will delegate tasks to members of their staff. Such delegation assists the office holder as it allows them to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

Grade of staff

Director
Associate Director / Senior Manager
Manager
Assistant Manager
Senior Administrator
Administrator
Junior

When approval as a set fee / on a percentage basis is sought, the office holder should explain why the basis requested is believed to be fair and reasonable in the circumstances and to update creditors with a narrative of the work carried out in each period. Payments to an office holder from the estate should be fair and reasonable reflections of the work necessarily and properly undertaken in an insolvency appointment and should be fair when compared to the other bases available to him/her.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements. Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.

Types of expense

Expenses are divided into two categories; those which do not require approval before being charged to an insolvent estate (Category 1) and those which do require approval before being charged to an insolvent estate (Category 2).

¹ Statement of Insolvency Practice 9 (SIP 9) – Payments to Insolvency Office Holders and Their Associates From An Estate

- ❑ *Category 1 expenses (approval not required)* – These are payments to persons providing the service to which the expense relates, who are not an associate of the office holder.
- ❑ *Category 2 expenses (approval required)* – These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

When seeking approval of category 2 expenses, an office holder should explain for each expense, the basis on which the expense is being charged to the estate.

Definition of associate

The term associate is defined in insolvency legislation. However, best practice guidelines expand the definition as follows.

The office holder is required to consider the substance of their relationships, and to consider the perception of any association between them, their firm or any individual within their firm, and the recipient of a payment. However, it is not only the office holder's perception of the relationship, but that of a reasonable and informed third party - might they consider there would be an association.

Where the conclusion is that a reasonable and informed third party might consider there to be an association, notwithstanding the fact that the nature of the association may not meet the legislative definition, payment should be treated as being made to an associate and approval as a Category 2 expense should be sought.

Category 2 expenses charged by this firm – payments to associates

This firm does not believe that relationships with third-party advisors (solicitors, agents, tax advisors, employment specialists, pension agents) fall within the legal definition of associate, or that a reasonable and fully informed third party might deem there to be an association.

Whilst this firm might engage the same advisor(s) to assist on more than one insolvent estate, those advisors are engaged based on their experience, their skill set and their performance. Such expenses are treated as a Category 1 expense by this firm and are charged to insolvent estates without prior approval.

One relationship which does fall under the definition of an associate, is the relationship between this firm and a debt collection agent, Debt Solutions Hub Limited (**DSH**), associated by way of common Director and Shareholder. This firm might on occasion make use of DSH to collect book debts due to an insolvent estate and the basis of their fees, if proposed, will be made clear to creditors and other interested parties of an insolvent estate, by reference to case specific voting forms.

Category 2 expenses charged by this firm – element of shared cost / allocation of costs

The information below provides an explanation of the Category 2 expenses which this firm seeks to charge on a shared or allocated costs basis, how the charge is calculated and why it is deemed to be a fair and reasonable charge to an insolvent estate.

Expense type	How the expense is calculated	Fair and reasonable
Postage of case related circulars	This firm operates an online business account with The Royal Mail, the facility being invoiced to this firm monthly. Part of the invoice is allocated to insolvent	Postage costs in these circumstances are incurred as a direct result of the insolvent estate and the cost is therefore deemed to be directly

	<p>estates, where the cost can be clearly identified, such as circulars.</p> <p>The calculation is:</p> <p>Rate set by Royal Mail at the date of posting x number of recipients</p>	<p>attributable to the insolvent estate.</p> <p>The cost is recharged with no markup.</p>
Storage Boxes	<p>An office holder is required to retain books and records of a Company / of an individual for the 12 months following dissolution / release from office. In addition to this, working case files are required to be retained for six years following the office holder's release from office.</p> <p>This firm uses Restore plc to store records, for which Restore boxes are required.</p> <p>Boxes are invoiced in bulk and are allocated to the insolvent estates at cost.</p>	<p>The charge is directly attributable to an insolvent estate by reference to the number of boxes held by Restore per insolvent estate at any given time.</p>
Car Mileage	<p>Business mileage is charged at the rates provided for by HMRC.</p>	<p>Business mileage will only be recharged where travel is directly attributable to the insolvent estate.</p>

This document provides a generic overview of how this firm approaches time costs and expenses. Fees estimates and progress reports provided in each insolvent estate will provide case specific detail.

TIDDLYPEEPS LTD - IN LIQUIDATION

Creditors Guide to fees, expenses and disbursements charged by Restart Business Turnaround Insolvency Limited
Rates applicable from 1 March 2022

Details of Insolvency Practitioner Licensing Body

Gareth Graham Self is licensed by the Insolvency Practitioners Association 46 New Broad Street, London, EC2M 1JH under number 9706.

Insolvency Practitioners Remuneration

The Insolvency Act 1986 and Insolvency Rules 2016 entitles Insolvency Practitioners to receive remuneration for his/her services and sets out the basis on how such remuneration shall be fixed which includes; a percentage of the assets realised and monies distributed in the insolvency process; a fixed amount; by reference to the time properly spent by the office holder(s), their partners, directors and their staff in attending to matters arising during the course of the insolvency; or one or more of the above basis and a different basis may be fixed for different tasks undertaken. Where it has been agreed by resolution of the secured creditors, a creditors committee, or creditors generally, that the office holder(s) remuneration will be calculated by reference to a time basis, then such remuneration will be calculated in units of 6 minutes at the hourly rates detailed below:

Grade	Standard Hourly Rates £	Complex Hourly Rates £
Directors	320	480
Associate Directors	280	420
Senior Managers	260	390
Managers	230	345
Administrators	180	270
Assistants	150	
Support Staff	80	

These represent our current hourly charge-out rates and are exclusive of VAT. Our rates are reviewed annually and creditors will be advised of any changes to these rates. In cases of an exceptionally complex nature or high risk we reserve the right to seek authority from the secured creditors; the creditors committee or the creditors generally to charge office holders remuneration at the complex rates as detailed above.

Expenses and Disbursements

Expenses are any payments from the estate that are neither remuneration nor a distribution to creditors. Expenses can also include disbursements. Disbursements are payments which are first met by me and then reimbursed from the estate.

Expenses are categorised as either Category 1 or Category 2.

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

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

Statement of Insolvency Practice 9 was updated with effect from 1 April 2021. This extended the definition of an associate so that I have to consider the substance or likely perception of any association between myself and the recipient of any payment from the estate. Any payments that could reasonably be perceived as presenting a threat to my objectivity or independence by virtue of a previous professional or personal relationship, including to an associate, should not be made unless approved in the same manner as my remuneration.

We have prior professional relationships with a number of advisors (solicitors, agents, valuers, employment consultants, tax specialists, pension specialists) however do not believe that they present a threat to my objectivity or independence and on that basis approval for payment of their fees is not required.

Category 2 disbursements will include the statutory storage of the estate books and records at the office holders dedicated storage unit and mileage costs.

Books and records will be stored in banker's boxes and the following charges will apply:

- A standing charge of £4.40 per box to cover the costs of the storage boxes (£2 per box) and their confidential destruction (£2.40 per box), subject to future price increases
- A monthly fee of £0.66 per box to cover rental of the units where the boxes are stored. The units are rented out at £80 per unit per month and each unit can safely hold 120 boxes.

Travel by motor vehicle for the purposes of the administration of the estate will be charged to the estate at the rate of 45p per mile as per HM Revenue & Customs guidance only when travel is directly attributable to the estate.

Where applicable all disbursements will be subject to VAT at the prevailing rate.

Appendix D

Privacy Notice

Use of personal information

We process personal information to enable us to carry out our work as insolvency practitioners which includes processing data that was held by companies/individuals before our appointment together with data collected during an insolvency procedure or a fixed charge receivership. Our legal obligation to process personal data arises from work we are required to carry out under insolvency and other related legislation.

Insolvency practitioners are Data Controllers of personal data in so far as defined by data protection legislation. Currie Young Limited will act as Data Processor on their instructions about personal data in relation to an insolvency procedure or fixed charge receivership.

Personal data will be kept secure and processed only for matters relating to the insolvency procedure being dealt with.

The data we may process

The personal data insolvency practitioners may process in most cases will be basic details that may identify an individual and will typically be sufficient to allow us to carry out our work as insolvency practitioners, for example, dealing with the claims of individuals who are owed monies by the companies/individuals over whom we have been appointed.

However, insolvency practitioners may be appointed over entities that process personal data that is considered more sensitive, for example health records and this sensitive data will usually have been created before our appointment. Although we will take appropriate steps to safeguard sensitive data (or to destroy it where it is appropriate to do so), subject to limited exceptions, for example, where we identify previous conduct and/or action that requires further investigation, we will not be processing sensitive data.

Sharing information

We may share personal data with third parties where we are under a legal or regulatory duty to do so, or it is necessary for the purposes of undertaking our work as insolvency practitioners. We may also share personal data to lawfully assist the police or other law enforcement agencies with the prevention and detection of crime, where disclosure is necessary to protect the safety or security of any persons and/or otherwise as permitted by the law.

How long will we hold it?

Personal data will be retained for as long as any legislative or regulatory requirement requires us to hold it. Typically, this may be up to six years after which it will be destroyed.

What are your rights?

You have the right to receive the information contained in this document about how your personal data may be processed by us.

You also have the right to know that we may be processing your personal data and, in most circumstances, to have information about the personal data of yours that we hold, and you can ask for certain other details such as what purpose we may process your data for and how long we will hold it.

Individuals have the right to request that incorrect or incomplete data is corrected and in certain circumstances, you may request that we erase any personal data on you which may be held or processed as part of our work as insolvency practitioners. If you have any complaints about how we handle your personal data, please contact Lisa Jackson (Manager) of Currie Young Limited, Ground Floor, 10 King Street, Newcastle under Lyme, ST5 1EL or alternatively via email at Lisa.Jackson@currieyoung.com so we can resolve the issue, where possible. You also have the right to lodge a complaint about any use of your information with the Information Commissioners Office (ICO), the UK data protection regulator.