

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

1

### Company details

Company number 0 7 5 1 6 5 5 4

Company name in full Ffrees Family Finance Limited

→ Filling in this form

Please complete in typescript or in  
bold black capitals.

2

### Liquidator's name

Full forename(s) Alex

Surname Cadwallader

3

### Liquidator's address

Building name/number Leonard Curtis

Street 5th Floor

Grove House

Post town 248a Marylebone Road

County/Region London

Postcode N W 1 6 B B

Country

4

### Liquidator's name ①

Full forename(s) Andrew

Surname Duncan

① Other liquidator

Use this section to tell us about  
another liquidator.

5

### Liquidator's address ②

Building name/number Leonard Curtis

Street 5th Floor

Grove House

Post town 248a Marylebone Road

County/Region London

Postcode N W 1 6 B B

Country

② Other liquidator

Use this section to tell us about  
another liquidator.

LIQ03

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**6** Period of progress report

From date	d 1	d 6	m 0	m 3	y 2	y 0	y 2	y 1
To date	d 1	d 5	m 0	m 3	y 2	y 0	y 2	y 2

**7** Progress report

☒ The progress report is attached

**8** Sign and date

Liquidator's signature

Signature

X

*Sh W*

X

Signature date

d 0	d 4	m 0	m 5	y 2	y 0	y 2	y 2
-----	-----	-----	-----	-----	-----	-----	-----

**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	Sam Bellamy
Company name	Leonard Curtis
Address	5th Floor Grove House 248a Marylebone Road
Post town	London
County/Region	
Postcode	N W 1 6 B B
Country	
DX	
Telephone	020 7535 7000

**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**

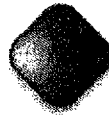
You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)



**LEONARD CURTIS**  
BUSINESS RESCUE & RECOVERY

**Frees Family Finance Limited  
(In Creditors' Voluntary Liquidation)  
t/a U Account**

Company Number: 07516554

Registered Office: 5<sup>th</sup> Floor, Grove House, 248a Marylebone Road, London NW1 6BB

Former Trading Address: Electric Works, Sheffield Digital Campus, Sheffield S1 2BJ

**Joint Liquidators' First Progress Report  
pursuant to Section 104A(1) of the Insolvency Act 1986 (as amended)  
and Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

**and**

**Joint Liquidators' Request for Approval of a Revised Fees Estimate via a Decision  
Procedure**

**Report period  
16 March 2021 to 15 March 2022**

**4 May 2022**

**Alex Cadwallader and Andrew Duncan - Joint Liquidators  
Leonard Curtis**

**5th Floor, Grove House, 248a Marylebone Road  
London NW1 6BB**

**Tel: 020 7535 7000 Fax: 020 7723 6059  
creditors@leonardcurtis.co.uk**

**Ref: L/30/SB/FFR03/1010**

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**TO ALL MEMBERS, CREDITORS AND THE REGISTRAR OF COMPANIES**

**1 INTRODUCTION**

1.1 Alex Cadwallader and Andrew Duncan were appointed as Joint Administrators of Frees Family Finance Limited ("the Company") on 29 March 2019. Upon conclusion of the Administration, pursuant to Paragraph 83 of Schedule B1 of the Insolvency Act 1986 (as amended) ("the Act"), Alex Cadwallader and Andrew Duncan were subsequently appointed as Joint Liquidators of the Company on 16 March 2021.

1.2 Alex Cadwallader and Andrew Duncan are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 9501 and 9319, respectively.

1.3 There has been no change in office holder since the date of liquidation.

1.4 In the period between the former Joint Administrators' Final Progress Report dated 17 February 2021 and the appointment of the Joint Liquidators, the following transactions occurred:

- Joint Administrators' fees of £46,874.50 were paid from estate funds.

Asset realisations of £6,498 were concluded in respect of a prepayment. Sundry expenses/disbursements of £14 recorded within the final Administration period were credited back to the estate.

1.5 The balance in hand as at the end of the Administration should have therefore been £876,287, as opposed to £869,775.

1.6 After payment of the Joint Administrators' fees of £46,874.50 as detailed above, an Administration surplus of £829,412 was transferred to the liquidation estate account.

1.7 Shortly prior to the commencement of the liquidation we were notified by the purchaser of the Company's business and assets, U Holdings Limited, that a payment had been released to the Administration estate by a debtor, which was payable to U Holdings Limited. A payment of £7,337 was subsequently refunded in respect of a previously reported debtor receipt. This balance was deducted from the value of the Administration surplus.

1.8 The Administration surplus has therefore reduced to £822,078, as can be seen in the Joint Liquidators' receipts and payments account at Appendix A.

1.9 This report provides an update on the conduct of the liquidation for the period from 16 March 2021 to 15 March 2022, as required by Section 104A(1) of the Act and Rule 18.3 of the Insolvency (England and Wales) Rules 2016 ("the Rules"). It contains details of the progress made, the expected outcome for creditors and other information that the Joint Liquidators are required to disclose.

**2 CONDUCT OF THE LIQUIDATION**

2.1 The Company's registered office was changed to c/o Leonard Curtis, 5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB on 16 April 2019.

**Assets Realised**

**2.2 Administration Surplus**

As detailed in paragraph 1.8 of this report, an Administration surplus of £822,078 has been transferred to the liquidation estate.

**2.3 Sale of Business**

As previously reported by the former Joint Administrators, investigations are ongoing in relation to the circumstances surrounding the onward sale of the business and assets of the Company acquired by U Holdings Limited on 29 March 2019.

It is currently uncertain whether there will be further recoveries made in this regard, although the Joint Liquidators are continuing their investigations in the matter and creditors will be provided with further updates following the conclusion of the Joint Liquidators' investigations.

**2.4 Assets Still to be Realised**

Aside from any potential further recoveries resulting from the Joint Liquidators' ongoing investigations, as detailed in paragraph 2.3, there are no further assets that remain to be realised in the liquidation.

**3 RECEIPTS AND PAYMENTS ACCOUNT**

3.1 A summary of the Joint Liquidators' receipts and payments for the period from 16 March 2021 to 15 March 2022 is attached at Appendix A.

3.2 All figures are stated net of VAT.

**4 OUTCOME FOR CREDITORS**

**Secured Creditors**

4.1 There are no secured creditors in the liquidation.

**Preferential Creditors**

4.2 No preferential claims were anticipated in the liquidation, as the employees were transferred to U Holdings Limited following the pre-packaged sale of the Company's business and assets in the preceding Administration in accordance with the provisions of the Transfer of Undertakings (Protection of Employment) Regulations 2006, and no preferential claims have been received to date.

**Prescribed Part**

4.3 As the Company has no unsatisfied post-Enterprise Act charges, there will be no requirement to set aside a prescribed part fund in this case.

**Ordinary Unsecured Creditors**

4.4 As at the date of Administration there were unsecured creditors with estimated claims totalling £8,311,836.

4.5 The table below illustrates the position regarding the claims of the ordinary unsecured creditors:

	<b>As at Date of Administration (£)</b>	<b>Claims Received (£)</b>	<b>Claims Admitted (£)</b>
Trade and Expense	685,832	762,282	592,727
HMRC (VAT)	14,981	15,635	-
HMRC (PAYE)	304,023	440,449	-
Loan Note Holders	7,307,000	7,233,987	4,556,890
	<b>8,311,836</b>	<b>8,452,353</b>	<b>5,149,617</b>

- 4.6 A first interim dividend of 5 pence in the pound was declared and paid to unsecured claims with admitted claims of £5,149,617, on 19 August 2021. There is a dividend reserve of £165,097 in respect of unsettled claims, which will be formally adjudicated by the Joint Liquidators in due course.
- 4.7 There are sufficient funds to declare a second and final dividend to ordinary unsecured creditors and a notice of intended dividend will be issued to creditors who have not proven their debts once the Joint Liquidators' investigations have been concluded.
- 4.8 If you have not already done so, please submit details of your claim, by completing and returning the proof of debt form, attached at Appendix J, to this office. Please include documentation to support your claim.

## **5 INVESTIGATIONS**

- 5.1 Following their appointment, the former Joint Administrators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.
- 5.2 The Joint Liquidators are continuing their investigations in this regard, specifically concerning the circumstances of the onward sale of the Company's business and assets by U Holdings Limited, as referred to in section 2 of this report. A further update in relation to the Joint Liquidators' investigations will be provided in the next progress report to creditors.

## **6 JOINT LIQUIDATORS' REMUNERATION, EXPENSES AND DISBURSEMENTS AND CREDITORS' RIGHTS**

### **Remuneration**

- 6.1 On 3 May 2021, creditors resolved by way of business by correspondence that the Joint Liquidators' remuneration be payable by reference to time properly given by them and their staff in attending to matters arising in the liquidation, as set out in the Fees Estimate dated 13 April 2021 (for an amount totalling £85,901) ("the Original Fees Estimate"). The Joint Liquidators' time costs from 16 March 2021 to 15 March 2022 are £71,659.50, which represents 205.5 hours at an average hourly rate of £348.71. Attached at Appendix B is a time analysis which provides details of the activity costs incurred by staff grade during the period from 16 March 2021 to 15 March 2022.
- 6.2 At Appendix C is a comparison of categorised time costs incurred in the liquidation between 16 March 2021 and 15 March 2022 and the Original Fees Estimate. You will note that the categories of time costs incurred do not generally exceed those as set out in the Original Fees Estimate. However, the areas where significant variance has occurred are as follows:

### **Assets**

In accordance with the Original Fees Estimate, the Joint Liquidators had initially estimated time costs of £3,312.50 would be incurred under this category. To date, time costs of £11,064.50 have been incurred in this regard.

The variance is a result of additional work being undertaken by the Joint Liquidators and their staff in conducting further investigations into the onward sale of the business and assets of the Company by U Holdings Limited, which has included liaising with instructed solicitors in this regard, preparing multiple letters of enquiry to a number of connected and unconnected parties and reviewing the responses received.



Originally, a significant proportion of the time costs that were expected to be incurred in this regard were allocated to investigations, however, during the liquidation it was decided that a portion of these time costs should be allocated to asset realisations as a lot of this investigation work is directly linked to potential asset recoveries for the benefit of the liquidation estate.

Creditors should note that the variance in time costs incurred in this category (an increase of £7,752 from the Original Fees Estimate) is of a similar level to the variance in time costs incurred in investigations (a decrease of £7,268.50 from the Original Fees Estimate).

Notwithstanding the above, as the Joint Liquidators' investigations into the onward sale have not yet been concluded, it is anticipated that further time costs will be incurred under this category.

### **Liabilities**

In accordance with the Original Fees Estimate, the Joint Liquidators initially estimated time costs of £17,425 would be incurred under this category. To date time costs of £34,258.50 have been incurred in this regard.

The variance is a result of additional work being undertaken by the Joint Liquidators and their staff in adjudicating the claims of unsecured creditors that were received prior to the payment of the first interim dividend. There are certain claims which required extensive review and this process involved liaising with creditors directly, reviewing loan agreements and other ancillary documentation and calculating interest costs. Furthermore, the Joint Liquidators had contact a number of creditors following payment of the first interim dividend as their dividend cheques were not presented to their banks in good time, which was not originally foreseen, as well as dealing with written and telephone enquiries from creditors generally.

There remain certain creditor claims which are still yet to be resolved and further adjudication of these claims will be undertaken during the liquidation, ahead of a second and final dividend to unsecured creditors.

It is anticipated that material further time costs will be incurred under this cost heading.

- 6.3 The following should also be noted in respect of certain time cost categories which, along with the expectation of anticipated further time costs being incurred overall, has resulted in the Revised Fees Estimate being prepared:

### **Debenture Holder**

The Original Fees Estimate included anticipated time costs of £7,245 in respect of debenture holders in error.

There are no known secured creditors and therefore no time costs have been incurred, or will be incurred, in the liquidation under this category.

### **Planning & Strategy**

The Original Fees Estimate included anticipated time costs of £2,200 in respect of planning and strategy.

Although internal discussions have been held during the liquidation that relate to the Joint Liquidators' approach to various matters that they have had to deal with, these time costs have been allocated to more specific time costs categories dependent on the nature of the discussions and therefore no time costs have been incurred in the liquidation under this category.

Furthermore, it is not anticipated that future time costs will be incurred under this category.

## **Investigations**

As detailed in section 6.2 of this report, the investigation work carried out by the Joint Liquidators is closely linked to potential asset realisations and a portion of the time costs incurred have therefore been allocated to assets following the Original Fees Estimate.

Creditors should note that the variance in time costs incurred in this category (a decrease of £7,268.50 from the Original Fees Estimate) is of a similar level to the variance in time costs incurred in assets (an increase of £7,752 from the Original Fees Estimate).

Notwithstanding the above, as the Joint Liquidators' investigations into the onward sale have not yet been concluded, and it is anticipated that further time costs will be incurred under this category.

- 6.4 At Appendix B is a detailed description of work undertaken attributable to each category of time costs and an explanation of why it was necessary for that work to be performed.
- 6.5 Joint Liquidators' fees totalling £69,064 plus VAT have been drawn from estate funds during the period of this report.
- 6.6 The Joint Liquidators anticipate that total time costs will exceed the Original Fees Estimate of £85,901, and therefore the Joint Liquidators have prepared a revised fees estimate totalling £100,776, full details of which are set out at Appendix D ("the Revised Fee Estimate").
- 6.7 The Revised Fees Estimate is based upon information currently available to the Joint Liquidators. Based upon such information, the Joint Liquidators do not anticipate that the Revised Fees Estimate will be exceeded. However should information come to light during the course of the liquidation which means that the Joint Liquidators will be required to undertake work not envisaged at the time that the Revised Fees Estimate was provided, it may be necessary for the Joint Liquidators to revert to creditors for further approval.
- 6.8 The Joint Liquidators are looking to seek approval from creditors of the Revised Fee Estimate via a decision procedure as set out in section 7 of this report.

## **Outstanding Administration Expenses**

- 6.9 In accordance with Paragraph 99(3) of Schedule B1 to the Act, the unpaid remuneration and expenses of the former Joint Administrators are charged against the assets previously under their control and payable as an expense against these assets. The Joint Liquidators have discharged outstanding remuneration totalling £43,020 due to the former Joint Liquidators in period of this report. There are no outstanding costs relating to the preceding Administration.

## **Expenses**

- 6.10 A comparison of the Joint Liquidators' expenses from 16 March 2021 to 15 March 2022 and the Joint Liquidators' statement of likely expenses is attached at Appendix F. To assist creditors' understanding of this information, it has been separated into the following two categories:
- *Standard Expenses*: this category includes expenses payable by virtue of the nature of the liquidation process and / or payable in order to comply with legal or regulatory requirements.
  - *Case Specific Expenses*: this category includes expenses likely to be payable by the Joint Liquidators in carrying out their duties in dealing with issues arising in this particular Liquidation. Included within this category are costs that are directly referable to the Liquidation but are not paid to an independent third party (and which may include an element of allocated costs). These are known as 'category 2 disbursements' and they may not be drawn without creditor approval.

With effect from 4 May 2021, the Joint Liquidators are also required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to associates of Leonard Curtis. Payments to associates are subject to the same level of approval as the office holder's fees and category 2 expenses. Further details are included at Appendices E and F.

- 6.11 On 3 May 2021, creditors resolved that the Joint Liquidators be authorised to draw category 2 expenses.
- 6.12 You will note that, in general, the nature and value of expenses incurred to date fall within those anticipated within the original statement of expenses. However, within the original statement of expenses, legal fees payable to Crowell & Moring's ("C&M") were set as uncertain as their costs were dependent on the level of work required to be carried out in respect of their ongoing assistance with the Joint Liquidators' investigations into the Company's affairs. Further details in relation to costs subsequently incurred with C&M are provided in section 6.14 of this report.
- 6.13 Attached at Appendix E is additional information in relation to the firm's policy on staffing, the use of subcontractors, disbursements and details of current charge-out rates by staff grade. Please be aware that the firm's charge out rates were last amended with effect from 1 March 2021.
- 6.14 During the liquidation, the following professional advisors have been instructed:

<b>Name of Professional Advisor</b>	<b>Service Provided</b>	<b>Basis of Fees</b>
Crowell & Moring	Legal Advice	Time Costs

As previously reported, C&M were instructed by the former Joint Administrators during the preceding Administration and their instruction was carried into the liquidation as their assistance was still required. The work that C&M have carried out has included providing legal advice and strategic advice to the Joint Liquidators in relation to the ongoing investigations into the onward sale of the business and assets of the Company acquired by U Holdings Limited. Furthermore, C&M have prepared and issued correspondence to various parties in respect of the investigations, on behalf of the Joint Liquidators.

C&M have been retained on a time cost basis, which is the usual practice for the type of work being undertaken. We have reviewed C&M's hourly rates and have confirmed that they are in line with industry standards for legal advice of this nature. C&M were chosen due to their expertise in providing insolvency and commercial advice, and their prior experience and knowledge of the Company from the preceding Administration.

C&M's instruction is essential in enabling the Joint Liquidators to conduct further investigations which may result in further asset realisations to benefit the Company's unsecured creditors. The Joint Liquidators are of the opinion that C&M's instruction in this regard is therefore in the best interest of creditors.

C&M's have incurred time costs totalling £18,744 during the period of this report. It is anticipated that further legal fees with C&M will be incurred in this matter, which will be disclosed in subsequent progress reports.

### **Creditors' Rights**

- 6.15 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least five per cent in value of the unsecured creditors (including the creditor in question), or with the permission of the Court, may request in writing that the Joint Liquidators provide further information about their remuneration or expenses which have been itemised in this report.
- 6.16 Under Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10 per cent in value of the unsecured creditors (including that creditor) or the permission of the Court, may within eight weeks of receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question, make an application to Court on the grounds that, in all the

circumstances, the basis fixed for the Joint Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in the progress report, are excessive.

- 6.17 Unless the Court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the liquidation.

## **7 DECISION PROCEDURE FOR REVISED FEES ESTIMATE – BY CORRESPONDENCE**

- 7.1 Please be advised that a decision procedure is required for creditors to consider the following decision:

(i) That the Joint Liquidators' Revised Fees Estimate of £100,776 be approved.

- 7.2 The Joint Liquidators propose to conduct the vote on the above via a decision by correspondence, and we attach Notice of this at Appendix G together with information on requisite majorities (please see Appendix H). We also enclose at Appendix I a voting form for your completion.

- 7.3 **Creditors are requested to indicate whether or not they approve the proposed decisions by taking the following action:**

1. **Please complete the Voting Form (Appendix I), indicating how you wish to vote on the proposed decision and return it as soon as possible, but no later than 23 May 2022 ("the Decision Date").**
2. **Unless you have already done so, please complete the proof of debt form attached at Appendix J and submit this with evidence in support of your claim, together with your voting form, no later than the date shown above.**

- 7.4 In order for votes on the proposed decision set out above to be counted, creditors must have delivered the **voting form** together with proof of their claim to Leonard Curtis, 5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB, on or before the Decision Date, failing which their votes will be disregarded. Creditors' attention is drawn to Chapter 9 of Part 1 of the Insolvency (England and Wales) Rules 2016 ("The Rules"), which detail the rules for the delivery of documents.

- 7.5 For the decision to be passed, the Joint Liquidators must receive at least one valid vote by the closing date specified in the notice.

### **Requisitioned Meetings**

- 7.6 If creditors are not satisfied with the type of decision procedure being used, they may request that a physical meeting be convened providing their claim is 10% of the value of the creditors, 10% of the number of creditors request the same or 10 individual creditors request that a meeting be convened. All requests for a physical meeting should be made in writing to [London.meetingreq@leonardcurtis.co.uk](mailto:London.meetingreq@leonardcurtis.co.uk) within five business day of receipt of this decision procedure.

### **Effect of Approval of the Decisions**

- 7.7 The total amount set out in the Revised Fees Estimate is £100,776. Once approved by creditors, the remuneration drawn by the Joint Liquidators must not exceed the total amount without further creditor approval. In the event that realisations prove insufficient to cover the actual time costs incurred, the irrecoverable costs will be written off.

## 8 INVITATION TO FORM A LIQUIDATION COMMITTEE

- 8.1 In accordance with Rule 6.19 of the Rules, creditors are invited to decide whether a Liquidation Committee should be established if sufficient creditors are willing to be members of that Committee. In order to be able to make an informed decision on whether you wish to be nominated to serve on a Committee, you are advised to read "Liquidation/Creditors' Committees and Commissioners - A Guide for Creditors" which contains information on the rights, duties and the functions of a Committee. This may be obtained via the link below or is available from our office free of charge on request:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/creditor-guides/more/29111/page/1/liquidation-creditors-committees-and-commissioners/>

- 8.2 Alex Cadwallader invites creditors to put forward their nominations for membership of the Committee, such nominations must be received, in writing, by the date specified in the notice attached at Appendix K. The Joint Liquidators can only accept nominations if they are satisfied as to the creditors' eligibility under Rule 17.4 the Rules (a copy of which is included at Appendix H).

## 9 MATTERS STILL TO BE DEALT WITH

Matters still to be dealt with before conclusion of the liquidation include the following:

- The conclusion of the Joint Liquidators' investigations into the Company's affairs and the subsequent realisation of the assets, if appropriate;
- The formal adjudication of unsettled creditor claims;
- A second and final distribution to the unsecured creditors; and
- The Joint Liquidators' unpaid remuneration and expenses will need to be defrayed.

## 10 OTHER MATTERS

- 10.1 For your information, Liquidation: A Guide for Creditors on Insolvency Practitioner Fees, version 4 May 2021, which sets out the rights of creditors and other interested parties under the insolvency legislation, may be accessed via the following link:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>

- 10.2 If you would prefer this to be sent to you in hard copy form, please contact Sam Bellamy of this office on 020 7535 7000.

- 10.3 Creditors are also encouraged to visit the following website, which provides a step by step guide designed to help creditors navigate through an insolvency process:

<http://www.creditorinsolvencyguide.co.uk>

- 10.4 The Joint Liquidators are bound by the Insolvency Code of Ethics, which can be found at:

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

**Data Protection**

- 10.5 Finally, when submitting details of your claim in the liquidation, you may disclose personal data to the Joint Liquidators. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. The Joint Liquidators act as Data Controllers in respect of personal data they obtain in relation to this liquidation and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Liquidators' privacy notice, which is attached to this report at Appendix L, explains how they process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

Yours faithfully



**ALEX CADWALLADER**  
**JOINT LIQUIDATOR**

Alex Cadwallader and Andrew Duncan are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 9501 and 9319, respectively

SUMMARY OF JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS FROM 16 MARCH 2021 TO 15 MARCH 2022

	Estimated to realise £	This period £
<b>RECEIPTS</b>		
Surplus from Administration	829,412	822,075.67
	<u>829,412</u>	<u>822,075.67</u>
<b>PAYMENTS</b>		
Joint Administrators' Remuneration		43,020.00
Joint Liquidators' Remuneration		69,064.00
		<u>112,084.00</u>
<b>DISTRIBUTIONS</b>		
First Interim unsecured dividend (5p in the £)		413,630.21
		<u>413,630.21</u>
<b>Balance in Hand</b>		<u><b>296,361.46</b></u>
<b>Represented By:-</b>		
Current Account		439,041.84
VAT Control Account		22,416.80
Dividend Reserves		(165,097.18)
		<u><b>296,361.46</b></u>

APPENDIX B

SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FROM 16 MARCH 2021 TO 15 MARCH 2022

	Director		Senior Manager		Manager 2		Administrator 1		Administrator 2		Administrator 4		Total Units	Cost £	Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £			
Statutory & Review	20	1,100.00	8	372.00	-	-	-	-	87	2,305.50	11	192.50	126	3,970.00	315.08
Receipts & Payments	-	-	57	3,115.50	-	-	-	-	106	2,809.00	8	140.00	161	5,064.50	335.06
Insurance	-	-	2	93.00	-	-	-	-	33	874.50	-	-	35	967.50	276.43
Assets	179	9,845.00	4	186.00	-	-	-	-	39	1,033.50	-	-	222	11,064.50	498.40
Liabilities	267	14,685.00	52	2,418.00	3	109.50	18	531.00	400	10,600.00	338	5,915.00	1,078	34,258.50	317.80
General Administration	6	330.00	6	279.00	-	-	-	-	26	742.00	18	315.00	58	1,668.00	287.24
Appointment	28	1,540.00	5	232.50	-	-	-	-	27	715.50	-	-	60	2,488.00	414.67
Post Appointment Creditor Reporting	-	-	-	-	-	-	-	-	41	1,086.50	-	-	41	1,086.50	265.00
Investigations	118	6,490.00	-	-	-	-	-	-	136	3,604.00	-	-	254	10,094.00	397.40

Total	618	33,990.00	144	6,896.00	3	109.50	18	531.00	887	23,770.50	375	6,562.50	2,055	71,659.50
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Average Hourly Rate (£)		550.00		465.00		365.00		295.00		265.00		175.00		348.71
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All Units are 6 minutes



## DETAILED NARRATIVE OF WORK PERFORMED BY THE JOINT LIQUIDATORS AND THEIR STAFF IN THE PERIOD

### Statutory and Review

This category of activity encompasses work undertaken for both statutory and case-management purposes. Whilst this work has not directly resulted in any monetary value for creditors, it ensured that the case was managed efficiently and resourced appropriately, which will be of benefit to all creditors. The work carried out under this category comprised the following:

- Case-management reviews. A month one review was undertaken by the firm's compliance team to ensure that all statutory and best practice matters have been dealt with appropriately. As the case has progressed, further six monthly reviews have been undertaken to ensure that the case is progressing as planned;
- Allocation of staff, management of staff, case resourcing and budgeting;
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9; and
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice.

### Receipts and Payments

This category of work will not result in a direct financial benefit for creditors; however, close monitoring of case bank accounts is essential to ensure that bank interest is maximised where possible, estate expenses are properly managed and kept to a minimum and amounts payable to creditors are identified and distributed promptly.

- Opening of case bank account;
- Management of case bank account to ensure compliance with relevant risk management procedures;
- Regular review of the accounts by senior member of staff to ensure that assets have been properly identified;
- Preparation of periodic receipts and payments accounts for inclusion in statutory reports;
- Timely completion of all post-appointment tax and VAT returns; and
- Managing estate expenses.

### Insurance, Bonding and Pensions

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect Company assets (see bonding matters below), whilst requirements in respect of Company pension schemes are there to protect the pension funds of Company employees. Whilst there is no direct financial benefit to Company creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of creditor.

- Calculation and request of Joint Liquidators' bond in accordance with the Insolvency Practitioners' Regulations 2005. A bond is a legal requirement on all liquidations and is essentially an insurance policy to protect creditors against the fraud or dishonesty of the Insolvency Practitioner. The bond is calculated by reference to the value of assets which are estimated before costs, to be available to unsecured creditors.
- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice.
- Completion and submission of statutory notifications under the Pensions Act 2004. This includes making the statutory notifications under s22 and s120 of the pensions legislation; and
- Liaising with pension companies where required.

### **Assets**

The work set out in this category may bring a financial benefit for creditors. This may result in a higher level of distribution to the unsecured creditors.

- Arranging for the Administration surplus to be transferred into the liquidation account; and
- Continuing investigations into onward sale of the business which occurred during the preceding Administration. Further information in relation to the work carried out in this regard has been provided in section 6.3 of this report.

A substantial amount of time costs have been incurred under this heading, and relevant time is split between assets and investigations in this regard.

### **Liabilities**

This category of time includes both statutory and non-statutory matters and will not necessarily bring any financial benefit to creditors generally. The more employees and creditors a company has, the more time and cost will be involved in dealing with those claims.

#### *Statutory*

- Processing of claims from the Company's creditors – All claims received from the Company's creditors will be logged. There have been sufficient funds in the liquidation to enable a first interim dividend to unsecured creditors and therefore claims received have been adjudicated in the liquidation. A further dividend is anticipated and therefore further time costs will be incurred in dealing with the payment of this dividend. Furthermore, there are some unsettled claims which require further adjudication prior to payment of a final dividend; and
- Preparation, review and submission of pre-appointment tax and VAT returns.

#### *Non statutory*

- Dealing with enquiries from the Company's creditors, both written and verbal.

### **General Administration**

This category of work did not result in a direct financial benefit for creditors; however it was necessary for these tasks to be completed in order to ensure the smooth and efficient progression of the liquidation:

- Setting up and maintaining the Joint Liquidators' records; and
- Dealing with general correspondence and communicating with directors and shareholders.

### **Appointment**

There are certain tasks which the Joint Liquidators have a statutory obligation to undertake during the liquidation process. Other tasks are completed in order to ensure the liquidation is progressed to the benefit of all creditors and stakeholders. Actions completed to date are both statutory and non-statutory and include the following:

- Statutory notifications to creditors and other interested parties following the Joint Liquidators' appointment.

### **Post-Appointment Creditor Reporting**

This category of activity encompasses work undertaken for statutory reasons. This work will not directly result in any financial benefit for creditors.

- Preparation of original Fees Estimate and Statement of Expenses in accordance with the Insolvency (England and Wales) Rules 2016;
- Convening a decision of creditors to agree original Fees Estimate with appropriate body of creditors;
- Reporting on outcome of voting; and
- Preparation and submission of the Joint Liquidators' initial notification to creditors following the appointment.

### **Investigations**

Some of the work the Joint Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 ("CDDA") and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations. It may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Joint Liquidators can pursue for the benefit of creditors.

- Reviewing the Company's records;
- Conducting investigations into the Company's affairs/records to identify the possibility of further realisations;
- Liaising with the Joint Liquidators' instructed solicitors, C&M; and
- Liaising with the various stakeholders regarding the Joint Liquidators' ongoing investigations, and pursuing a number of ongoing enquiries with parties of interest.

As noted under 'Assets', time costs relating to ongoing investigations have been recorded between both of these cost codes.

APPENDIX C

SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FOR THE PERIOD FROM 16 MARCH 2021 TO 15 MARCH 2022  
INCORPORATING A COMPARISON OF THE JOINT LIQUIDATORS' ORIGINAL FEES ESTIMATE

	FEES ESTIMATE			INCURRED TO 15 MARCH 2022			VARIANCE
	Total			Total			
	Units	Cost £	Average hourly rate £	Units	Cost £	Average hourly rate £	
	No			No			Cost £
Statutory & Review	260	8,955.00	344.42	126	3,970.00	315.08	(4,985.00)
Receipts & Payments	155	4,727.50	305.00	181	6,064.50	335.06	1,337.00
Insurance, Bonding & Pensions	60	1,590.00	265.00	35	967.50	276.43	(622.50)
Assets	90	3,312.50	368.06	222	11,064.50	498.40	7,752.00
Liabilities	530	17,425.00	328.77	1,078	34,258.50	317.80	16,833.50
Debenture Holder	155	7,245.00	467.42	-	-	-	(7,245.00)
General Administration	245	7,987.50	326.02	58	1,666.00	287.24	(6,321.50)
Appointment	44	1,633.50	371.25	60	2,488.00	414.67	854.50
Planning & Strategy	40	2,200.00	550.00	-	-	-	(2,200.00)
Post Appointment Creditors Meeting	415	13,462.50	324.40	41	1,086.50	265.00	(12,376.00)
Investigations	400	17,362.50	434.06	254	10,094.00	397.40	(7,268.50)
	2,394	85,901.00	358.82	2,055	71,659.50	348.71	(14,241.50)

APPENDIX D

JOINT LIQUIDATORS’ REVISED FEES ESTIMATE

	REVISED FEES ESTIMATE		
	Units	Cost	Average
	No	£	hourly rate
Statutory & Review	225	7,577.50	336.78
Receipts & Payments	265	8,597.50	324.43
Insurance, Bonding & Pensions	55	1,557.50	283.18
Assets	305	14,282.50	468.28
Liabilities	1,311	41,660.50	317.78
General Administration	110	3,372.50	306.59
Appointment	60	2,488.00	414.67
Post Appointment Creditor Reporting	235	7,140.00	303.83
Investigations	360	14,100.00	391.67
	<b>2,926</b>	<b>100,776.00</b>	<b>344.42</b>

**DETAILED NARRATIVE OF ADDITIONAL WORK PROPOSED TO BE UNDERTAKEN BY THE JOINT LIQUIDATORS DURING THE LIQUIDATION**

**Statutory and Review**

- Case-management reviews. Ongoing six monthly reviews will be undertaken to ensure that the case is progressing as planned;
- Ongoing allocation of staff, management of staff, case resourcing and budgeting;
- Ongoing review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9; and
- Ongoing review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice.

**Receipts and Payments**

- Ongoing management of case bank account to ensure compliance with relevant risk management procedures;
- Ongoing regular review of the accounts by senior member of staff to ensure that assets have been properly identified;
- Preparation of periodic receipts and payments accounts for inclusion in statutory reports;
- Timely completion of all post-appointment tax and VAT returns; and
- Ongoing management of estate expenses.

**Insurance, Bonding and Pensions**

- Ongoing periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice; and
- Submission of final notices under Section 22 of the Pensions Act 2004.

**Assets**

- Continuing investigations into onward sale of the business which occurred during the preceding Administration. Further information in relation to the work carried out in this regard has been provided in section 6.3 of this report.

A substantial amount of time costs have been, and will continue to be, incurred under this heading, and relevant time will be split between assets and investigations in this regard.

**Liabilities**

*Statutory*

- Processing of claims from the Company's creditors – All claims received from the Company's creditors will be logged. A second and final dividend is anticipated and therefore further time costs will be incurred in dealing with the payment of this dividend. Furthermore, there are some unsettled claims which require further adjudication prior to payment of the final dividend.

*Non statutory*

- Continuing to deal with enquiries from the Company's creditors, both written and verbal.

**General Administration**

- Ongoing maintenance of the Joint Liquidators' records; and
- Dealing with general correspondence and communicating with directors and shareholders.

**Post-Appointment Creditor Reporting**

- Preparation of Revised Fees Estimate in accordance with the Insolvency (England and Wales) Rules 2016;
- Convening a decision of creditors to agree Revised Fees Estimate with appropriate body of creditors;
- Reporting on outcome of voting; and
- Preparation and submission of the Joint Liquidators' ongoing progress reports.

**Investigations**

- Ongoing investigations into the Company's affairs/records to identify the possibility of further realisations;
- Liaising with the Joint Liquidators' instructed solicitors, C&M; and
- Liaising with the various stakeholders regarding the Joint Liquidators' ongoing investigations, and pursuing a number of ongoing enquiries with parties of interest.

As noted under 'Assets', time costs relating to ongoing investigations have been, and will continue to be, recorded between both of these cost codes.

**LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS**

The following Leonard Curtis policy information is considered to be relevant to creditors:

**Staff Allocation and Charge Out Rates**

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by the appropriate body of creditors that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to request and obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rates given below.

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

	<b>6 Jan 2014 onwards</b>		<b>1 Aug 2019 onwards</b>		<b>1 March 2021 onwards</b>	
	Standard	Complex	Standard	Complex	Standard	Complex
	£	£	£	£	£	£
Director	450	562	525	656	550	688
Senior Manager	410	512	445	556	465	581
Manager 1	365	456	395	494	415	518
Manager 2	320	400	345	431	365	456
Administrator 1	260	325	280	350	295	369
Administrator 2	230	287	250	313	265	331
Administrator 3	210	262	230	288	245	306
Administrator 4	150	187	165	206	175	219
Support	0	0	0	0	0	0

In respect of assignments pre-dating 1 March 2022, office holders' remuneration may include costs incurred by the firm's in-house legal team, which may be used for non-contentious matters pertaining to the insolvency appointment.

**Use of Associates**

We are required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to Associates of Leonard Curtis (LC). The term "Associate" is defined in s435 of the Insolvency Act 1986, but we are also required to consider the substance or likely perception of any association between the appointed insolvency practitioner, their firm (LC) or an individual within the firm and the recipient of a payment. Payments to Associates are subject to the same level of approval as the office holder's fees and category 2 expenses (see table on the next page for further details).

Leonard Curtis Legal Limited (LC Legal) are part of the LCBSG group; as such they are an "Associate" of LC. Where LC Legal are instructed to assist an office-holder in a particular matter from 1 March 2022 onwards, details of their proposed costs will be provided to creditors and specific approval for payments to associates will be sought.

Additionally, whilst not meeting the legal definition of "Associate" we are aware that there is a perceived association between LC and Pelstar Limited. Pelstar Limited provides insolvency case management software and document hosting facilities to LC. LC employs an individual who is married to a director of Pelstar Limited. Pelstar Limited's costs are set out in the expenses tables below.

**Use of Professional Advisors**

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.



## Frees Family Finance Limited – In Creditors' Voluntary Liquidation

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

### Use of Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

### Categorisation of Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

Type	Description	Amount																								
AML checks via Smartsearch	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per search  Note that with effect from 1 April 2021, these costs are no longer recovered from the estate.																								
Bond / Bordereau fee via AUA Insolvency Services	Insurance bond to protect the insolvent entity against any losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches via Companies House	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting via Pelstar Limited (see Use of Associates and Category 2 expenses)	Hosting of documents via a secure portal for access by creditors/shareholders. Costs are charged per upload plus VAT and are generally dependent upon the number of creditors. The costs are commensurate with those charged by other providers of comparable services.	<table><tr><th>Type</th><th>First 100</th><th>Every addtl 10</th></tr><tr><td>ADM</td><td>£14.00</td><td>£1.40</td></tr><tr><td>CVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>MVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CPL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CVA</td><td>£10.00</td><td>£1.00</td></tr><tr><td>BKY</td><td>£10.00</td><td>£1.00</td></tr><tr><td>IVA</td><td colspan="2">£10 p.a. or £25 for life of case</td></tr></table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
Type	First 100	Every addtl 10																								
ADM	£14.00	£1.40																								
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CVA	£10.00	£1.00																								
BKY	£10.00	£1.00																								
IVA	£10 p.a. or £25 for life of case																									
Software Licence fee hosting via Pelstar Limited (see Use of Associates and Category 2 expenses)	Payable to software provider for use of case management system. The costs are commensurate with those charged by other providers of comparable services.	£87.00 plus VAT per case																								
Postage via Royal Mail or Postworks	Cost of posting documents which are directly attributable to a case to external recipients	Calculated in accordance with applicable supplier rates and dependent on the number of pages and whether the document is sent by international, first or second class post.																								
Post re-direction via Royal Mail	Redirection of post from Company's premises to office-holders' address	0-3 months £216.00 3-6 months £321.00 6-12 months £519.00																								
Statutory advertising via advertising agents	Advertising of appointment, notice of meetings etc. - London Gazette	£91.80 - £102.00 plus VAT per advert Dependent upon advert and publication																								

## Frees Family Finance Limited – In Creditors' Voluntary Liquidation

	- Other	
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include but may not be restricted to:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions. Where the solicitor appointed is LC Legal, any fee payable for work completed is classed as a payment to an associate and requires specific creditor / committee approval as detailed above.	Time costs plus disbursements plus VAT
Other expenses	See Category 1 and 2 expenses notes below	See Category 1 and 2 expenses notes below

Please note that expenses are generally categorised as Category 1 or Category 2:

- a) Category 1 expenses: These are payments to independent third parties providing the service to which the expense relate. These may include, for example, advertising, external room hire, storage costs, postage costs, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 expenses may be paid without prior approval.
- b) Category 2 expenses: These are costs that are directly referable to the appointment in question, but not paid to an independent third party. They may include costs which have an element of shared cost. The following items of expenditure are recharged on this basis and are charged at HMRC approved rates:

Business mileage

45p per mile

Payments to Associates (as defined above) are categorised by LC in the same way as Category 2 expenses. Category 2 expenses and payments to Associates may only be drawn if they have been approved in the same manner as an office holder's remuneration.

APPENDIX F

**SUMMARY OF JOINT LIQUIDATORS' EXPENSES FROM 16 MARCH 2021 TO 15 MARCH 2022  
INCORPORATING A COMPARISON OF THE JOINT LIQUIDATORS' STATEMENT OF LIKELY EXPENSES**

**Standard Expenses**

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Bond Fee	AUA Insolvency Risk Services	Insurance bond	550.00	-	-	-	-
Document Hosting	Pelstar Computing	Hosting of documents for creditors *	21.00	7.00	7.00	-	7.00
Software Licence Fee	Pelstar Computing	Case management system licence fee *	87.00	87.00	87.00	-	87.00
Statutory Advertising	Courts Advertising	Advertising	91.80	95.40	95.40	-	95.40
Other Disbursements	Various	Other disbursements	100.00	37.99	37.99	-	37.99
		<b>Total standard expenses</b>	<b>849.80</b>	<b>227.39</b>	<b>227.39</b>	<b>-</b>	<b>227.39</b>

\* Payment to Associate requiring specific creditor / committee approval from 4 May 2021

**Case Specific Expenses**

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Legal Fees	Crowell & Moring	Costs of appointed solicitors	Uncertain	18,743.66	18,743.66	-	18,743.66
Other Disbursements	Various	Other disbursements	-	41.40	41.40	-	41.40
		<b>Total case specific expenses</b>	<b>Uncertain</b>	<b>18,785.06</b>	<b>18,785.06</b>	<b>-</b>	<b>18,785.06</b>

**Note:** Other disbursements relate to printing charges incurred by the Joint Liquidators. These expenses are not of material value, although it is anticipated that further costs will be incurred in respect of printing charges.

**NOTICE TO CREDITORS OF A DECISION PROCEDURE USING CORRESPONDENCE TO CONSIDER THE APPROVAL OF THE JOINT LIQUIDATORS' REVISED FEES ESTIMATE IN ACCORDANCE WITH RULES 15.8 AND 18.30 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016**

**FFREES FAMILY FINANCE LIMITED ("THE COMPANY") IN CREDITORS' VOLUNTARY LIQUIDATION  
COMPANY NUMBER: 07516554**

Notice is given that a decision, via correspondence, has been scheduled for 23 May 2022 ("the Decision Date").

The decision to be considered is:

1. That the Joint Liquidators' Revised Fees Estimate of £100,776 be approved.

In order for votes on the proposed decision set out above to be counted, creditors must have delivered the **voting form** accompanying this notice together with proof of their claim to Leonard Curtis, 5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB, on or before the Decision Date, failing which their votes will be disregarded. Creditors' attention is drawn to Chapter 9 of Part 1 of the Insolvency (England and Wales) Rules 2016 ("the Rules"), which detail the rules for delivery of documents.

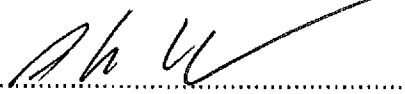
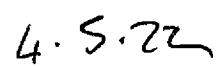
A creditor whose claim is less than £1,000 must still deliver proof of their claim with their voting form if they wish to vote on the proposed decisions.

Any creditor who has opted-out from receiving notices may nevertheless vote, providing they returned their voting form and have submitted proof of their claim.

If creditors are not satisfied with the decision procedure implemented they may request a physical meeting be convened providing their claim is 10% of the value of the creditors, 10% of the number of creditors request the same or 10 individual creditors request that a meeting be convened. All requests to hold a meeting should be made, in writing, to London.meetingreq@leonardcurtis.co.uk within five business days of this notice of a decision procedure being delivered to you (the deemed delivery date of this notice is 4 May 2022).

A creditor may appeal a decision in accordance with Rule 15.35 of the Rules. Such an appeal must be made by not later than 21 days after the Decision Date.

Creditors' attention is further drawn to rules 15.28, 15.31, 15.33 and 15.34 of The Rules which detail the rules for voting. Extracts from the Rules have also been included with this notice.

Signed  Dated   
**ALEX CADWALLADER**  
**JOINT LIQUIDATOR**  
Leonard Curtis

5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB  
020 7535 7000

# EXTRACTS FROM THE INSOLVENCY (ENGLAND & WALES) RULES 2016

## Creditors' voting rights

- 15.28** (1) In an administration, an administrative receivership, a creditors' voluntary winding up, a winding up by the court and a bankruptcy, a creditor is entitled to vote in a decision procedure or to object to a decision proposed using the deemed consent procedure only if—
- (a) the creditor has, subject to 15.29, delivered to the convener a proof of the debt claimed in accordance with paragraph (3), including any calculation for the purposes of rule 15.31 or 15.32, and
  - (b) the proof was received by the convener—
    - (i) not later than the decision date, or in the case of a meeting, 4pm on the business day before the meeting, or
    - (ii) in the case of a meeting, later than the time given in sub-paragraph (i) where the chair is content to accept the proof; and
  - (c) the proof has been admitted for the purposes of entitlement to vote.
- (2) In the case of a meeting, a proxy-holder is not entitled to vote on behalf of a creditor unless the convener or chair has received the proxy intended to be used on behalf of that creditor.
- (3) A debt is claimed in accordance with this paragraph if it is—
- (a) claimed as due from the company or bankrupt to the person seeking to be entitled to vote; or
  - (b) in relation to a member State liquidator, claimed to be due to creditors in proceedings in relation to which that liquidator holds office.
- (4) The convener or chair may call for any document or other evidence to be produced if the convener or chair thinks it necessary for the purpose of substantiating the whole or any part of a claim.
- (5) In a decision relating to a proposed CVA or IVA every creditor, secured or unsecured, who has notice of the decision procedure is entitled to vote in respect of that creditor's debt.
- (6) Where a decision is sought in an administration under sub-paragraph 3.52(3)(b) (pre-administration costs), paragraph 18.18(4) (remuneration: procedure for initial determination in an administration) or paragraph 18.26(2) (first exception: administrator has made statement under paragraph 52(1)(b) of Schedule B1), creditors are entitled to participate to the extent stated in those paragraphs.

## Calculation of voting rights

- 15.31** (1) Votes are calculated according to the amount of each creditor's claim—
- (a) in an administration, as at the date on which the company entered administration, less—
    - (i) any payments that have been made to the creditor after that date in respect of the claim, and
    - (ii) any adjustment by way of set-off which has been made in accordance with rule 14.24 or would have been made if that rule were applied on the date on which the votes are counted;
  - (b) in an administrative receivership, as at the date of the appointment of the receiver, less any payments that have been made to the creditor after that date in respect of the claim;
  - (c) in a creditors' voluntary winding up, a winding up by the court or a bankruptcy, as set out in the creditor's proof to the extent that it has been admitted;
  - (d) in a proposed CVA—
    - (i) at the date the company went into liquidation where the company is being wound up,
    - (ii) at the date the company entered into administration (less any payments made to the creditor after that date in respect of the claim) where it is in administration,
    - (iii) at the beginning of the moratorium where a moratorium has been obtained (less any payments made to the creditor after that date in respect of the claim), or
    - (iv) where (i) to (iii) do not apply, at the decision date;
  - (e) in a proposed IVA—
    - (i) where the debtor is not an undischarged bankrupt—
      - (aa) at the date of the interim order, where there is an interim order in force,
      - (bb) otherwise, at the decision date,
    - (ii) where the debtor is an undischarged bankrupt, at the date of the bankruptcy order.
- (2) A creditor may vote in respect of a debt of an unliquidated or unascertained amount if the convener or chair decides to put upon it an estimated minimum value for the purpose of entitlement to vote and admits the claim for that purpose.
- (3) But in relation to a proposed CVA or IVA, a debt of an unliquidated or unascertained amount is to be valued at £1 for the purposes of voting unless the convener or chair or an appointed person decides to put a higher value on it.
- (4) Where a debt is wholly secured its value for voting purposes is nil.
- (5) Where a debt is partly secured its value for voting purposes is the value of the unsecured part.

- (6) However, the value of the debt for voting purposes is its full value without deduction of the value of the security in the following cases—
- (a) where the administrator has made a statement under paragraph 52(1)(b) of Schedule B1 and the administrator has been requested to seek a decision under paragraph 52(2); and
  - (b) where, in a proposed CVA, there is a decision on whether to extend or further extend a moratorium or to bring a moratorium to an end before the end of the period of any extension.
- (7) No vote may be cast in respect of a claim more than once on any resolution put to the meeting; and for this purpose (where relevant), the claim of a creditor and of any member State liquidator in relation to the same debt are a single claim.
- (8) A vote cast in a decision procedure which is not a meeting may not be changed.
- (9) Paragraph (7) does not prevent a creditor or member State liquidator from—
- (a) voting in respect of less than the full value of an entitlement to vote; or
  - (b) casting a vote one way in respect of part of the value of an entitlement and another way in respect of some or all of the balance of that value.

***Procedure for admitting creditors' claims for voting***

- 15.33** (1) The convener or chair in respect of a decision procedure must ascertain entitlement to vote and admit or reject claims accordingly.
- (2) The convener or chair may admit or reject a claim in whole or in part.
- (3) If the convener or chair is in any doubt whether a claim should be admitted or rejected, the convener or chair must mark it as objected to and allow votes to be cast in respect of it, subject to such votes being subsequently declared invalid if the objection to the claim is sustained.

***Requisite majorities***

- 15.34** (1) A decision is made by creditors when a majority (in value) of those voting have voted in favour of the proposed decision, except where this rule provides otherwise
- (2) In the case of an administration, a decision is not made if those voting against it—
- (a) include more than half in value of the creditors to whom notice of the decision procedure was delivered; and
  - (b) are not, to the best of the convener or chair's belief, persons connected with the company.
- (3) Each of the following decisions in a proposed CVA is made when three-quarters or more (in value) of those responding vote in favour of it—
- (a) a decision approving a proposal or a modification;
  - (b) a decision extending or further extending a moratorium; or
  - (c) a decision bringing a moratorium to an end before the end of the period of any extension.
- (4) In a proposed CVA a decision is not made if more than half of the total value of the unconnected creditors vote against it.
- (5) For the purposes of paragraph (4)—
- (a) a creditor is unconnected unless the convener or chair decides that the creditor is connected with the company;
  - (b) in deciding whether a creditor is connected reliance may be placed on the information provided by the company's statement of affairs or otherwise in accordance with these Rules; and
  - (c) the total value of the unconnected creditors is the total value of those unconnected creditors whose claims have been admitted for voting.
- (6) In a case relating to a proposed IVA—
- (a) a decision approving a proposal or a modification is made when three-quarters or more (in value) of those responding vote in favour of it;
  - (b) a decision is not made if more than half of the total value of creditors who are not associates of the debtor vote against it.
- (7) For the purposes of paragraph (6)—
- (a) a creditor is not an associate of the debtor unless the convener or chair decides that the creditor is an associate of the debtor;
  - (b) in deciding whether a creditor is an associate of the debtor, reliance may be placed on the information provided by the debtor's statement of affairs or otherwise in accordance with these Rules; and
  - (c) the total value of the creditors who are not associates of the debtor is the total value of the creditors who are not associates of the debtor whose claims have been admitted for voting.

***Appeals against decisions under this Chapter***

- 15.35** (1) A decision of the convener or chair under this Chapter is subject to appeal to the court by a creditor, by a contributory, or by the bankrupt or debtor (as applicable).
- (2) In a proposed CVA, an appeal against a decision under this Chapter may also be made by a member of the company.

- (3) If the decision is reversed or varied, or votes are declared invalid, the court may order another decision procedure to be initiated or make such order as it thinks just but, in a CVA or IVA, the court may only make an order if it considers that the circumstances which led to the appeal give rise to unfair prejudice or material irregularity.
- (4) An appeal under this rule may not be made later than 21 days after the decision date.
- (5) However, the previous paragraph does not apply in a proposed CVA or IVA, where an appeal may not be made after the end of the period of 28 days beginning with the day—
  - (a) in a proposed CVA, on which the first of the reports required by section 4(6) or paragraph 30(3) of Schedule A1 was filed with the court(a); or
  - (b) in a proposed IVA—
    - (i) where an interim order has not been obtained, on which the notice of the result of the consideration of the proposal required by section 259(1)(a) has been given, or
    - (ii) otherwise, on which the report required by section 259(1)(b)(b) is made to the court.
- (6) The person who made the decision is not personally liable for costs incurred by any person in relation to an appeal under this rule unless the court makes an order to that effect.
- (7) The court may not make an order under paragraph (6) if the person who made the decision in a winding up by the court or a bankruptcy is the official receiver or a person nominated by the official receiver.

**Eligibility for membership of creditors' or liquidation committee**

- 17.4** (1) This rule applies to a creditors' committee in an administration, an administrative receivership, and a bankruptcy and to a liquidation committee in a creditors' voluntary winding up and a winding up by the court.
- (2) A creditor is eligible to be a member of such a committee if—
- (a) the person has proved for a debt;
  - (b) the debt is not fully secured; and
  - (c) neither of the following apply—
    - (i) the proof has been wholly disallowed for voting purposes, or
    - (ii) the proof has been wholly rejected for the purpose of distribution or dividend.
- (3) No person can be a member as both a creditor and a contributory.
- (4) A body corporate may be a member of a creditors' committee, but it cannot act otherwise than by a representative appointed under rule 17.17.

**VOTING FORM FOR CREDITORS**

**FFREES FAMILY FINANCE LIMITED ("THE COMPANY") IN CREDITORS' VOLUNTARY LIQUIDATION**  
**COMPANY NUMBER: 07516554**

Please indicate whether you agree or disagree with the decision set out below and return this form, together with proof in respect of your claim, to Leonard Curtis, 5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB, on or before 23 May 2022 (the Decision Date) in order that approval may be determined.

**DECISION to be considered**

1. That the Joint Liquidators' Revised Fees Estimate of £100,776 be approved.

**\*Agree / Reject**

Dated .....

Signed .....

Position .....

Name of Creditor: .....



## Rule 14.4

### Proof of Debt – General Form

#### CREDITORS' VOLUNTARY LIQUIDATION

#### RELEVANT DATE FOR CLAIMS:

Please e-mail completed form to:

[recovery@leonardcurtis.co.uk](mailto:recovery@leonardcurtis.co.uk) quoting ref: FFR03/SB/PROOF

Name of Company in Liquidation:

FFREES FAMILY FINANCE LIMITED

Company registration number:

[Liquidation only]

07516554

1 Name of creditor

(If a company, provide the company registration number).

2 Correspondence address of creditor (including any email address)

3 Total amount of claim (£)  
(include any Value Added Tax)

4 If amount in 3 above includes (£)  
outstanding uncapitalised interest, state amount.

5 Details of how and when the debt was incurred.  
(If you need more space, attach a continuation sheet to this form)

6 Details of any security held, the value of the security and the date it was given.

7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.

## Frees Family Finance Limited – In Creditors' Voluntary Liquidation

8 Details of any document by reference to which the debt can be substantiated

9 Signature of creditor  
(or person authorised to act on the creditor's behalf)

10 Date of signature

11 Address of person signing if different from 2 above

12 Name in BLOCK LETTERS:

13 Position with, or relation to, creditor

Admitted to vote for

Amount (£)

Date

Admitted for dividend for

Amount (£)

Date

Liquidator

Liquidator

Notes:

1. There is no need to attach them now but the office holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.

2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

3. Please e-mail completed form to:

[recovery@leonardcurtis.co.uk](mailto:recovery@leonardcurtis.co.uk) quoting ref: FFR03/SB/PROOF

**NOTICE OF AN INVITATION TO CREDITORS TO FORM A LIQUIDATION COMMITTEE**

**FFREES FAMILY FINANCE LIMITED ("THE COMPANY") CREDITORS' VOLUNTARY LIQUIDATION ("CVL")**  
**REGISTERED NUMBER: 07516554**


**NOTICE IS HEREBY GIVEN, IN ACCORDANCE WITH R6.19 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016, THAT**

Creditors are invited to decide whether a Liquidation Committee should be established if sufficient creditors are willing to be members of that Committee. Alex Cadwallader as Convener of the Decision Procedure invites creditors to put forward their nominations for membership of the Committee. Such nominations must be received by the Convener, **in writing**, by the date specified in this notice. The Convener can only accept nominations if they are satisfied as to the creditors' eligibility under R17.4 of the Insolvency (England and Wales) Rules 2016 (a copy of which is enclosed).

Name of Company	FFREES FAMILY FINANCE LIMITED
Registered Number	07516554
Joint Liquidators	Alex Cadwallader and Andrew Duncan of Leonard Curtis, 5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB
Nominations MUST be received by:	23 May 2022
Contact Details of the Joint Liquidators:	Telephone: 020 7535 7000 Alternative Contact: Sam Bellamy

Dated: 4 May 2022

Signed .....

  
**Alex Cadwallader**

**Convener and Joint Liquidator**

5th Floor, Grove House, 248a Marylebone Road, London NW1 6BB

Contact details of Alex Cadwallader and Andrew Duncan: 020 7535 7000

Under Rule 17.4, a creditor is eligible to be a member of such a Committee if they have proved for a debt, which is not fully secured, and the proof has not been wholly disallowed for voting purposes or rejected for the purposes of distribution or dividend. A body corporate may be a member of a Committee, but it cannot act otherwise than by a duly appointed representative. No person can be a member as both a creditor and a contributory.

**LEONARD CURTIS  
PRIVACY NOTICE FOR CREDITORS**

**Information we collect and hold about you**

By requesting details of your claim in this insolvency, we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation ("the GDPR"). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

**Legal justification for processing your Personal Data**

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

**How we use your information**

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity's liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

**Who we share your information with**

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

**How long will we hold your Personal Data for?**

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

**Your rights in respect of your Personal Data**

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.

**Your right to complain**

You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.

If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliffe House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

**Contacting us**

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, 5<sup>th</sup> Floor, Grove House, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: [privacy@leonardcurtis.co.uk](mailto:privacy@leonardcurtis.co.uk).

**Data Controller: LEONARD CURTIS**