

# AM10

## Notice of administrator's progress report



Companies House

WEDNESDAY



\*A8DR8XSY\*

A19

11/09/2019

#173

COMPANIES HOUSE

### 1 Company details

Company number 07978114

Company name in full The People's Operator Holdings Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Benjamin John

Surname Wiles

### 3 Administrator's address

Building name/number The Shard

Street 32 London Bridge Street

Post town London

County/Region

Postcode SE19SG

Country United Kingdom

### 4 Administrator's name ①

Full forename(s) Tevor Nigel

Surname Birch

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number The Shard

Street 32 London Bridge Street

Post town London

County/Region

Postcode SE19SG

Country United Kingdom

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	d	1	d	2	m	0	m	2	y	2	y	0	y	1	y	9
To date	d	1	d	1	m	0	m	8	y	2	y	0	y	1	y	9

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date

d	0	d	9	m	0	m	9	y	2	y	0	y	1	y	9
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

**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 Sophie Thomas

Company name Duff & Phelps Ltd

Address The Shard

32 London Bridge Street

Post town London

County/Region

Postcode

S

E

1

9

S

G

Country

United Kingdom

DX

Telephone 020 7089 0906

**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)**

---

# **Progress Report to Creditors**

9 September 2019

**The People's Operator Holdings Limited  
The People's Operator PLC  
The People's Operator (UK) LLP  
(All in Administration)**

Joint Administrators' Progress Report to Creditors  
for the period from 12 February 2019 to 11 August 2019

**Duff & Phelps Ltd.  
The Shard  
32 London Bridge Street  
London  
SE1 9SG**

## Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
AIM Market	An international sub-market of the London Stock Exchange for smaller growing companies
AIM Rules	AIM has its own rulebooks for companies, that consist of rules, schedules and guidance notes
the Appointment Date	12 February 2019, being the date of appointment of the Joint Administrators
the Bank / the Secured Creditor	Barclays Bank Plc (Company Number 01026167), with whom the Companies banked and the holder of fixed and floating charges over the Companies' assets
Category 1 Disbursements	The Joint Administrators' external and incidental costs and expenses in dealing with the Administrations
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administrations
CEO	Chief executive officer, the highest-ranking person in the Companies
the Companies or TPO	TPO PLC, TPO (UK) LLP and TPOH
Crowell Moring	Crowell & Moring LLP, solicitors instructed by the Joint Administrators to deal with the appointment documentation for the Companies and agreement for the sale of certain assets
BEIS	Department for Business, Energy & Industrial Strategy
the Designated Members	TPOH and TPOF Limited, designated members of TPO (UK) LLP
the Directors	Samuel Richard Tillotson, Julia Elizabeth Simpson, Juliet Georgina, Lucy Rosenfeld and Michael John Butler the directors of TPO PLC; TPOH and TPOF Limited the Designated Members of TPO (UK) LLP; and Samuel Tillotson the sole director of TPOH
Duff & Phelps	Duff & Phelps Ltd. (Company Number 05568550), The Shard, 32 London Bridge Street, London SE1 9SG
EC Regulation	EC Regulation on Insolvency Proceedings 2000

## Definitions

Word or Phrase	Definition
FinnCap	FinnCap Ltd (Company Number 06198898), the Companies former nominated advisor and broker
the Group	TPO PLC TPO (UK) LLP TPOH The People's Operator Foundation Limited The People's Operator Foundation Charity The People's Operator (US) Foundation Charity TPO US The People's Operator USA LLC The People's Operator US Inc TPO Giving (UK) Limited
GSA	Global Strategic Accountants, LLC, the company that is assisting with the winddown of the US entities
Hilco	Hilco Appraisal Limited (Company Number. 04703331), independent valuation agents
HMRC	HM Revenue and Customs
the Joint Administrators	Benjamin John Wiles and Trevor Nigel Birch of Duff & Phelps
Moorgate	Moorgate Consulting Limited (Company Number 07728578), specialists in corporate clearances
MVNO	A mobile virtual network operator, a wireless communications services provider that does not own the infrastructure over which it provides services to its customers
Pay360	A payment gateway and card service provided by Capita Plc
Prescribed Part	Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a designated amount of a company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors
Proposals Report	The Joint Administrators Report to Creditors and Statement of Proposals dated 2 April 2019
the Purchaser	Uplands Mobiles Ltd (Company Number 3977335), the purchaser of the website, domain names and social media platforms

## Definitions

Word or Phrase	Definition
Referral Agreement	Agreement with Three relating to the TPO customer base, whereby Three provided airtime plus an opportunity to transfer to their network
the Reporting Period	The period from the Appointment Date to 11 August 2019
RNS	Regulatory News Service for sending financial communications to shareholders
RPS	Redundancy Payments Service
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SMARTY	A mobile telephone brand running as a MVNO using the Three network in the UK and owned by Three
SOA	Statement of Affairs, documentation supplied by the Directors outlining the Companies' financial position as at the Appointment Date
Three	Hutchison 3G UK Limited (Company Number 03885486), trading as Three in the UK
TPO PLC	The People's Operator Plc (Company Number 09083874)
TPO (UK) LLP	The People's Operator (UK) LLP (Company Number: OC380236)
TPO US	The People's Operator (US) LLP, US subsidiary of TPO Holdings
TPOH	The People's Operator Holdings Limited (Company Number: 07978114)
TPOF Limited	The TPO Foundation (Company Number: 08213776)
Transatel	Transatel UK Limited (Company Number: 04086268), provider of cellular connectivity solutions to the Companies
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006
WWW Holding Co	WWW Holding Company Limited (Company Number: 05049626), parent of Lycamobile UK Limited

## **Contents**

- 1 Introduction
- 2 Joint Administrators' Report and Statement of Proposals
- 3 Progress of the Administrations
- 4 Investigations
- 5 Dividend Prospects / Prescribed Part
- 6 Joint Administrators' Receipts and Payments Accounts
- 7 Pre-Administration Costs
- 8 Joint Administrators' Costs and Expenses
- 9 Conclusion
- 10 Next Report

## **Appendices**

- 1. Statutory Information
- 2 Joint Administrators' Receipts and Payments Accounts
- 3. Analysis of Time Charged and Expenses Incurred
- 4 Statement of Creditors' Rights
- 5 Proof of Debt Form



#### **TPOH**

**Names of Joint Administrators:** Benjamin John Wiles  
Trevor Nigel Birch

**Date of Appointment:** 12 February 2019

**Date of Report:** 9 September 2019

**Appointed by:** the Directors

**Court Reference:** High Court of Justice no 1085 of 2019

#### **TPO PLC**

**Names of Joint Administrators:** Benjamin John Wiles  
Trevor Nigel Birch

**Date of Appointment:** 12 February 2019

**Date of Report:** 9 September 2019

**Appointed by:** the Directors

**Court Reference:** High Court of Justice no. 1084 of 2019

#### **TPO (UK) LLP**

**Names of Joint Administrators:** Benjamin John Wiles  
Trevor Nigel Birch

**Date of Appointment:** 12 February 2019

**Date of Report:** 9 September 2019

**Appointed by:** the Directors

**Court Reference:** High Court of Justice no 1083 of 2019

## **1. Introduction**

- 1.1 The Joint Administrators were appointed on the Appointment Date by the Directors of the Companies pursuant to paragraph 22 of Schedule B1 to the Act.
- 1.2 In accordance with Paragraph 100(2) of Schedule B1 to the Act the functions of the Joint Administrators are being exercised by both of the Joint Administrators
- 1.3 The purpose of this report is to provide details of the progress of the Administrations for the Reporting Period
- 1.4 This report should be read in conjunction with the Proposals Report for details of events leading up to the Administrations
- 1.5 Statutory information on the Companies is attached at Appendix 1

## **2. Joint Administrators' Report and Statement of Proposals**

- 2.1 In accordance with Paragraph 52(1) of Schedule B1 to the Act, a creditors' meeting was not required to be held as there will be insufficient realisations to enable a distribution to non-preferential creditors. No meeting was convened, and the Proposals were deemed to have been approved by creditors on 16 April 2019 at 23:59
- 2.2 As advised in the Proposals Report, the Joint Administrators must perform their functions with the purpose of achieving one of the following objectives:
- Rescuing the company as a going concern, or
  - Achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in Administration); or
  - Realising property in order to make a distribution to one or more secured or preferential creditors
- 2.3 As stated in the Proposals Report, the first objective will not be achieved as there are insufficient funds and assets available to enable the Companies to be rescued as a going concern
- 2.4 The second objective has been achieved as the Referral Agreement has resulted in a better outcome for the Companies' creditors as a whole than if the Companies were wound up, as consumer creditor's claims should have diminished due to the migration period allowing creditors an extended length of service during which to consume their pre-paid airtime and thus, reducing their balances
- 2.5 In any event the third objective will also be achieved as a distribution will be paid to the Secured Creditor.

### **3. Progress of the Administrations**

- 3.1 The manner in which the affairs and business of the Companies have been managed since the appointment of the Joint Administrators and will continue to be managed and financed are set out below.

#### **Customer Base**

- 3.2 As stated in the Proposals Report, the Joint Administrators entered into a Referral Agreement with Three. This gave TPO customers the option to migrate their mobile number to SMARTY via a sim card posted to customers, which allowed a migration period within which customers could transfer to SMARTY without experiencing a drop in service.
- 3.3 The Referral Agreement provided for a guaranteed minimum non-refundable payment of £40k plus VAT, irrespective of the actual number of qualifying customers who transferred, paid in two instalments of £20k plus VAT.
- 3.4 As set out in the Referral Agreement, the referral fee was calculated as follows:
- £40 per customer in respect of the first 1,000 customer referrals,
  - £35 per customer in respect of 1,001 – 5,000 customer referrals,
  - £30 per customer in respect of 5,001 customer referrals and beyond.
- 3.5 A total of 5,187 customers migrated to SMARTY, which generated a referral fee of £185,610 plus VAT. This is shown in TPO (UK) LLP's receipts and payments account at Appendix 2.
- 3.6 No further realisations are expected from this source.

#### **Intercompany Receivables**

- 3.7 As stated in the Proposals Report, the US entities within the Group, which are subsidiaries of TPOH held funds of USD \$507k as at the Date of Appointment, following the sale of the US assets in 2018. Prior to transferring the funds to TPOH, the businesses need to be wound down with a number of payments being made, including the distribution of USD\$185k to nominated charities.
- 3.8 The director is currently in the process of winding down the US entities and estimates a final balance of USD\$137k to be transferred.
- 3.9 It is anticipated that the winding down of the US entities will take a further two to three months with the residual balance to be transferred to TPOH after the conclusion of the wind-down process.
- 3.10 A further update will be provided in the next report.

#### **Customer Branding, Trademarks and Intellectual Property**

- 3.11 In accordance with the terms of the Referral Agreement, the Companies could not sell, transfer or otherwise dispose of its assets during the migration services period, which ended on 1 May 2019.

3.12 After 1 May 2019, the Joint Administrators liaised with interested parties regarding a potential sale of the assets, which consisted of the website, social media platforms, domain names and intellectual property

3.13 The website, social media platforms and domain names were sold to the Purchaser on 28 May 2019 for £10k including VAT

3.14 No further realisations are anticipated

#### **Book Debts**

3.15 As stated in the Proposals Report, there are about 1,900 customers whose monthly invoice was typically collected at the month end for the provision of mobile services plus any overage costs incurred in the prior month. These invoices amounted to approximately £5k

3.16 Following a review of the ledger, the Joint Administrators have made a commercial decision not to pursue these debts as the time costs incurred would exceed the benefits

#### **Cash at Bank**

3.17 The Bank has retained the cash at bank of £151k across the Companies in consideration for their security. These monies will likely be treated as a distribution to the Bank

3.18 There is an amount held on trust totalling £92k for outstanding charity payments for 2017 and 2018. These monies will be transferred to the Administration estate of TPO (UK) LLP and the outstanding charity payments will be made to the respective charities by the Joint Administrators

#### **Deposits**

##### Transatel

3.19 As stated in the Proposals Report, Transatel, acted as an intermediary between the Companies and EE. Transatel held a deposit of c £126k in accordance with the agreement with EE dated 2012.

3.20 At the end of 2015, the Companies switched their provider of airtime and data to Three, however, around 2,000 of the Companies' customers retained their EE sim-cards. Therefore, the Companies had an informal agreement with Transatel to continue mobile phone services to these users

3.21 The Joint Administrators have contacted Transatel on numerous occasions to try and realise the deposit, to no avail. The Joint Administrators will continue to pursue Transatel for repayment of the deposit and a further update will be provided within the next progress report

##### Pay360

3.22 Pay360 provided payment gateway services and card processing services to TPO

3.23 Pay360 underwrite the merchant and as a result Pay360 are liable for losses on the account including chargebacks. Therefore, Pay360 held a rolling deposit at the Appointment Date totalling £10,133.

3 24 Pay360 repaid the balance of the deposit to the Administration estate of TPO (UK) LLP, after deducting final chargeback requests. The amount was paid on 17 July 2019 and totalled £9,880

3.25 No further realisations are expected from Pay360

#### **IT and Office Equipment**

3 26 As stated in the Proposals Report, £4,100 plus VAT was received in relation to the sale of the computers, IT equipment, desks and chairs and the Companies' premises.

3 27 No further realisations are expected.

#### **Stock of Handsets**

3.28 During the Reporting Period £9,808 was received in relation to the repurchase of the 37 Fairphone smartphone handsets by Fairphone, a supplier located in the Netherlands

3 29 No further realisations are expected

#### **Sundry Refund**

3 30 During the Reporting Period the Joint Administrators received £739 in relation to an insurance refund from Clear Insurance

3 31 No further realisations are expected

3 32 The Joint Administrators have incurred time costs to date of £11,709 across the Companies in relation to the realisation of assets, compared to their fee estimate of £15,510, in relation to the above-mentioned assets.

### **4. Investigations**

4 1 The Joint Administrators' investigations into the Companies' affairs are now complete.

4 2 The Joint Administrators have a statutory obligation to file a report for each company with BEIS concerning the conduct of all directors of the Companies that served in the three years prior to the Appointment Date. The content of these reports is confidential and has been submitted to the Insolvency Practitioners Compliance Unit

4.3 During the Reporting Period, the Joint Administrators have incurred time costs of £11,205 across the Companies in relation to investigations, which has not exceeded the fee estimate of £23,540. Time costs incurred to date relate to a detailed review of the Companies' bank statements, a review of the Companies' in-house accounting system, a review of filed and management accounts, together with any board minutes prepared by the Directors.

4 4 There are no outstanding lines of enquiry

## 5. Dividend Prospects / Prescribed Part

### Secured Creditor

- 5.1 In consideration for the monies advanced under the term loan, the Companies granted two charges to the Bank dated 9 July 2015 and 14 July 2016, which include fixed and floating charges over all assets of the Companies.
- 5.2 At the date of appointment, the Companies' indebtedness to the Bank totalled £1,058,461
- 5.3 Whilst there should be a distribution to the Bank, it is currently anticipated that there will be insufficient realisations to repay the Bank in full and the Bank will suffer a shortfall on its indebtedness.

### Preferential Creditors

- 5.4 Pursuant to the SOA, the estimated preferential claims are £15k
- 5.5 The preferential creditors' claims consist of employee claims for arrears of pay and holiday pay, the majority of which are likely to be subrogated to the BEIS following payment to the employees by the RPS
- 5.6 The Joint Administrators are currently awaiting the RPS's claim in respect of payments made to the Companies' former employees
- 5.7 Based on current information, there will be insufficient realisations to pay a dividend to the preferential creditors

### Prescribed Part

- 5.8 The Companies granted a floating charge to the Bank on 14 July 2016 and, therefore, the Prescribed Part provisions will apply.
- 5.9 Although the Company's net property is greater than £10k, it is considered that the costs of making the distribution to non-preferential unsecured creditors will exceed the floating charge realisations and therefore, there will not be sufficient funds to allow a Prescribed Part dividend in this instance

### Unsecured Creditors

- 5.10 According to the SOA, non-preferential unsecured creditors total £1,353,837, across the Companies. The non-preferential unsecured creditors can be summarised as follows.

	TPO (UK) LLP (£)	TPO PLC (£)	TPOH (£)	TOTAL (£)
Employee Claims	29,559	32,351	0	61,910
HMRC	30,362	6,855	8,300	45,517
Unsecured Loans	0	850,000	0	850,000
Trade and Expense Creditors	294,935	44,370	57,105	396,410
	<b>354,856</b>	<b>933,576</b>	<b>65,405</b>	<b>1,353,837</b>

5.11 Claims received to date total £3,879,795, split as follows

TPO (UK) LLP	-	£3,680,824
TPO PLC	-	£83,082
TPOH	-	£115,889

5.12 Most of this amount is the claim of Three against TPO PLC, which totals £3,600,396

5.13 As advised in the Proposals Report, there is no prospect of a dividend to non-preferential unsecured creditors

5.14 Time costs of £23,746 have been incurred in relation to creditors of the Companies, which relates to communicating with non-preferential unsecured creditors and the Secured Creditor to provide updates on the Administrations and to assist with any queries they may have

## **6. Joint Administrators' Receipts and Payments Accounts**

6.1 Detailed Receipts and Payments Accounts for the Reporting Period are shown at Appendix 2

6.2 As at 11 August 2019 there were the following cash balances.

TPO (UK) LLP	-	£160,564
TPO PLC	-	NIL
TPOH	-	£4

## **7. Pre-Administration Costs**

7.1 The following amounts in respect of Pre-Administration costs were incurred prior to the Appointment Date.

Duff & Phelps Pre-Administration Fees	£59,475
Duff & Phelps Disbursements	£578
Solicitor's Fees	£28,750
Agent's Costs	£7,500
<b>Total Unpaid Pre-Administration Costs</b>	<b>£91,733</b>

7.2 Further details of the pre-Administration costs are provided in the Proposals Report.

7.3 In accordance with Rule 3.52(3)(b)(i) of the Rules, the requisite approval to draw Duff & Phelps unpaid pre-Administration costs was sought from the Secured Creditor. The Pre-Administration costs were approved by the Secured Creditor on 22 May 2019.

7.4 Duff & Phelps pre-administration fees remain unpaid at the time of this report and should be paid in the next reporting period.

## **8. Joint Administrators' Costs and Expenses**

- 8.1 The Joint Administrators' basis of remuneration and disbursements was approved by the Secured Creditor on 22 May 2019
- 8.2 The Joint Administrators' fee estimate across the Companies was £180,180 to 11 February 2020
- 8.3 The time costs charged in the Reporting Period by the Joint Administrators and their case staff are as analysed at Appendix 3 and total £96,171, representing 303 hours at an average charge out rate of £317. Time is charged in six-minute units.
- 8.4 No remuneration has been paid in the Reporting Period.
- 8.5 During the Reporting Period, an amount of £10,591 has been incurred in respect of strategy, planning and control, the Joint Administrators' obligations in undertaking case reviews and managing the Joint Administrators' diary system. Although this work has not led to a direct return to creditors, it is necessary to ensure that the case runs smoothly
- 8.6 An amount of £18,642 has been incurred in the Reporting Period in respect of statutory matters. This time was largely incurred in the preparation of the Proposals Report and initial appointment of the Joint Administrators as is necessary under insolvency legislation
- 8.7 The Joint Administrators have incurred time costs of £9,677 in respect of cashiering and accounting, insurance, IPS set up and maintenance, tax compliance and planning, dealing with the directors and management and obtaining a completed statement of affairs. This has not provided a direct benefit to creditors but relates to the time spent planning the strategy for the Administrations, to ensure the smooth running of the cases
- 8.8 The Joint Administrators' disbursements are also detailed at Appendix 3
- 8.9 The Joint Administrators have incurred expenses in dealing with the Administrations of the Companies and these are detailed in Appendix 3.
- 8.10 A statement of creditors' rights concerning the Joint Administrators' fees is enclosed as Appendix 4

## **9. Conclusion**

- 9.1 An Administration automatically comes to an end after one year, unless an extension is granted by the Court or with the creditors' consent
- 9.2 Based on current information, it is anticipated that all matters will be concluded within the next six months and, therefore, an extension to the Administration will not be required.
- 9.3 Should this not be the case, the Joint Administrators will notify creditors in due course and request an extension to the Administrations by Secured Creditor consent.
- 9.4 Based on current information, there will be insufficient realisations to pay a dividend to the non-preferential unsecured creditors. Therefore, once the Administrations have been concluded, the Companies will move to dissolution, pursuant to Paragraph 84 of Schedule B1 to the Act



- 9.5 Following registration of the appropriate notice by the Registrar of Companies, the Joint Administrators' appointments will cease to have effect, and they will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Act

**10. Next Report**

- 10.1 The Joint Administrators are required to provide a Progress Report within one month of every six month period of the Administration elapsing and the final report before the anniversary of the Administration. The next report will be issued no later than 11 February 2020 and is likely to be the final report
- 10.2 If you have any queries or require any further assistance, please do not hesitate to contact my colleague Maddy Skerrett of this office.

Yours faithfully  
For and on behalf of  
The People's Operator plc  
The People's Operator (UK) LLP  
The People's Operator Holdings Limited



**Benjamin Wiles**  
Joint Administrator

Encs

The affairs, business and property of the Companies are being managed by the Joint Administrators Benjamin John Wiles and Trevor Nigel Birch, who act as agents for the Companies and without personal liability. Both are licensed in the UK by the Insolvency Practitioners Association and governed by the Insolvency Code of Ethics

## **Appendix 1**

### **Statutory information**

## Statutory Information

	<b>TPO LLP</b>	<b>TPO PLC</b>	<b>TPOH</b>
<b>Date of Incorporation</b>	15 November 2012	12 June 2014	6 March 2012
<b>Registered Number</b>	OC380236	09083874	07978114
<b>Company Directors and Designated Members</b>	TPOH TPOF Limited	Michael Butler Juliet Rosenfeld Julia Simpson Samuel Tillotson	Samuel Tillotson
<b>Company Secretary</b>		Jane Triggs	
<b>Trading Address</b>	Units 53-54, Chocolate Studios, 7 Shepherdess Place London N1 7LJ	Units 53-54, Chocolate Studios 7 Shepherdess Place London N1 7LJ	Units 53-54, Chocolate Studios 7 Shepherdess Place London N1 7LJ
<b>Registered Office</b>	<b>Current:</b> The Shard 32 London Bridge Street London SE1 9SG	<b>Current:</b> The Shard 32 London Bridge Street London SE1 9SG	<b>Current:</b> The Shard 32 London Bridge Street London SE1 9SG
	<b>Former:</b> Units 53-54, Chocolate Studios 7 Shepherdess Place London N1 7LJ	<b>Former:</b> Units 53-54, Chocolate Studios 7 Shepherdess Place London N1 7LJ	<b>Former:</b> Units 53-54, Chocolate Studios 7 Shepherdess Place London N1 7LJ

## **Appendix 2**

### **Joint Administrators' Receipts and Payments Accounts**

---

**TPOH (In Administration)****Joint Administrators' Receipts and Payments Account**

Statement of Affairs Estimated Realisable Value		Reporting Period From 12 February 2019 to 11 August 2019
(£)		(£)
	<b>Fixed Asset Realisations</b>	
180,000 00	Inter-Company Receivables	-
<u>180,000.00</u>		-
	<b>Floating Asset Realisations</b>	
24,979 77	Cash and Cash Equivalents	-
	Debtors	5 73
<u>24,979.77</u>		<u>5.73</u>
	<b>Cost of Realisations</b>	
	Bank Charges	1 30
		<u>(1.30)</u>
	<b>Total</b>	<u><b>4.43</b></u>
	<b>Floating Charge Creditors</b>	
(840,000 00)	Debts Secured by Floating Charges	-
<u>(840,000.00)</u>		-
	<b>Non-Preferential Unsecured Creditors</b>	
NIL	Employee Claims	-
(57,105 14)	Trade Creditors	-
(8,300.00)	HMRC	-
<u>(65,405.14)</u>		-
	<b>Represented By:</b>	
	Floating / Main Current Account	4 43
	<b>Balance</b>	<u><b>4.43</b></u>

**TPO (UK) LLP (In Administration)**

**Joint Administrators' Receipts and Payments Account**

Statement of Affairs Estimated Realisable Value	Reporting Period From 12 February 2019 to 11 August 2019
(£)	(£)
<b>Fixed Asset Realisations</b>	
200,000 00	185,610 00
20,000 00	8 333 33
	239 97
	<b>194,183 30</b>
<b>Cost of Realisations</b>	
	7,500 00
	6,650 66
	5 635 02
	37 90
	25 500 00
	3 223 73
	5 870 63
	<b>(54,417.94)</b>
(20,000 00)	0 00
	<b>0.00</b>
<b>Floating Asset Realisations</b>	
4 000 00	4 100 00
10 000 00	9 808 28
	9 880 22
115 259 71	-
30 000 00	-
	3 00
	739 21
	17 80
<b>159,259.71</b>	<b>24,548.51</b>
<b>Cost of Realisations</b>	
	983 83
	1 92
	24 00
	200 00
	253 72
	174 96
	455 14
	192 98
	452 46
	1,000 00
	11 25
	<b>(3,750.26)</b>
	<b>160,563.61</b>
<b>Preferential Creditors</b>	
(9,981 00)	-
<b>(9,981 00)</b>	-
<b>Floating Charge Creditors</b>	
(1,000,000 00)	-
<b>(1,000,000.00)</b>	-
<b>Non-Preferential Unsecured Creditors</b>	
(29,559 00)	-
(294 935 17)	-
(30,362 00)	-
<b>(354,856.17)</b>	-
<b>Represented By:</b>	
	(2,440 81)
	(24,188 67)
	170,827 03
	16,366 06
<b>Balance</b>	<b>160,563 61</b>

---

**TPO PLC (In Administration)****Joint Administrators' Receipts and Payments Account**

Statement of Affairs Estimated Realisable Value		Reporting Period From 12 February 2019 to 11 August 2019
(£)		(£)
	<b>Floating Asset Realisations</b>	
6,121.33	Cash and Cash Equivalents	-
<u>6,121.33</u>		<u>-</u>
	<b>Cost of Realisations</b>	
		<u>-</u>
	<b>Preferential Creditors</b>	
(4,572.00)	Employee Claims	-
<u>(4,572.00)</u>		<u>-</u>
	<b>Floating Charge Creditors</b>	
	Debts Secured by Floating Charges	-
		<u>-</u>
	<b>Non-Preferential Unsecured Creditors</b>	
(32,351.00)	Employee Claims	-
(44,370.00)	Trade Creditors	-
(6,854.53)	HMRC	-
(850,000.00)	Unsecured Loans	-
<u>(933,575.53)</u>		<u>-</u>
	<b>Total</b>	<u>-</u>
	<b>Represented By:</b>	
	<b>Balance</b>	<u>-</u>

## **Appendix 3**

### **Analysis of Time Charged and Expenses Incurred**



## TPOH (In Administration)

### Analysis of the Joint Administrators' Time Costs During the Reporting Period

Analysis of the Joint Administrators' Time Costs During the Reporting Period								
Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg. Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case Review and Case Diary Management	0 00	2 00	0 00	0 30	0 00	2 30	837 00	363 91
Cashiering and Accounting	0 00	0 70	0 00	1 00	0 00	1 70	524 00	308 24
Dealings with Directors and Management	0 00	0 50	0 00	1 00	0 00	1 50	407 50	271 67
IPS Set Up and Maintenance	0 00	0 00	0 00	0 70	0 00	0 70	151 00	215 71
Insurance	0 00	0 00	0 00	0 10	0 00	0 10	19 00	190 00
Statement of Affairs	0 00	1 10	0 00	0 00	0 00	1 10	429 00	390 00
Statutory Matters (Meetings, Reports and Notices)	0 50	6 40	0 00	10 90	0 00	17 80	5,074 00	285 06
Strategy Planning and Control	0 50	0 00	0 80	1 60	0 00	2 90	860 00	296 55
Tax Compliance / Planning	0 00	0 00	0 00	0 50	0 00	0 50	95 00	190 00
Creditors								
Communications with Creditors / Employees	0 00	4 30	0 00	1 70	0 00	6 00	2 000 00	333 33
Secured Creditors	0 00	1 40	0 00	0 00	0 00	1 40	546 00	390 00
Investigations								
CDDA Reports and Communication	0 00	0 00	0 00	1 30	0 00	1 30	247 00	190 00
Financial Review and Investigations	0 00	3 20	0 00	0 00	0 00	3 20	1 248 00	390 00
Total Hours	1.00	19.60	0.80	19 10	0 00	40 50		307 10
Total Estimated Fees (£)	600.00	7,660.00	256.00	3,921 50	0 00		12,437 50	

TPOH (In Administration)

Analysis of Pre-Appointment Time Costs

Classification of Work Function	Hours				Total Hours	Time Cost (£)	Avg Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant			
Administration and Planning							
Dealing with Notice of Intention to Appoint	0 00	1 80	0 00	0 40	2 20	940 00	427 27
Financial Review	0 00	0 20	0 00	0 00	0 20	78 00	390 00
IPS Set Up and Maintenance	0 00	0 70	0 00	0 00	0 70	300 00	428 57
Insurance	0 00	0 00	0 00	0 10	0 10	19 00	190 00
Strategy, Planning and Control	0 50	1 20	0 00	4 50	6 20	1,731 00	279 19
Creditors							
Non Pref Creditors / Employee Claims Handling	0 00	0 00	0 00	0 20	0 20	38 00	190 00
Total Hours:	0.50	3.90	0.00	5.20	9.60		323 54
Total Fees Claimed (£)	300.00	1,818.00	0.00	988 00		3,106.00	

## TPO (UK) LLP

### Analysis of the Joint Administrators' Time Costs for the Reporting Period

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg. Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case Review and Case Diary Management	0 00	2 60	0 00	0 40	0 00	3 00	1,090 00	363 33
Cashiering and Accounting	0 00	8 30	1 80	9 90	0 00	20 00	6,216 50	310 83
Dealings with Directors and Management	0 00	12 10	0 00	1 00	0 00	13 10	4,931 50	376 45
IPS Set Up and Maintenance	0 00	0 70	0 00	1 40	0 00	2 10	557 00	265 24
Insurance	0 00	2 30	0 00	0 40	0 00	2 70	973 00	360 37
Statement of Affairs	0 00	5 30	0 00	0 00	0 00	5 30	2,067 00	390 00
Statutory Matters (Meetings Reports and Notices)	0 50	12 30	4 90	15 20	0 00	32 90	9,831 00	298 81
Strategy Planning and Control	3 00	0 20	13 20	2 40	0 00	18 80	6,576 00	349 79
Tax Compliance / Planning	0 00	0 40	0 00	0 60	0 00	1 00	270 00	270 00
<b>Creditors</b>								
Communications with Creditors / Employees	0 00	18 80	0 00	31 20	0 00	50 00	12,870 00	257 40
Non Pref Creditors / Employee Claims Handling	0 00	0 00	0 00	0 60	0 00	0 60	114 00	190 00
Secured Creditors	0 00	6 20	6 00	0 00	0 00	12 20	4,338 00	355 57
<b>Investigations</b>								
CDDA Reports and Communication	1 00	0 00	0 00	8 50	0 00	9 50	2,215 00	233 16
Financial Review and Investigations	0 00	14 90	0 00	0 20	0 00	15 10	5,849 00	387 35
<b>Realisation of Assets</b>								
Freehold and Leasehold Property	0 00	4 10	0 00	0 20	0 00	4 30	1,637 00	380 70
Goodwill and Intellectual Property Rights	0 00	1 00	0 00	0 00	0 00	1 00	390 00	390 00
Other Intangible Assets	0 00	15 70	0 00	0 00	0 00	15 70	6,123 00	390 00
Other Tangible Assets	0 00	3 00	0 00	0 00	0 00	3 00	1,170 00	390 00
Plant and Machinery Fixtures and Motor Vehicles	0 00	2 00	0 00	0 00	0 00	2 00	780 00	390 00
Sale of Business	0 00	3 20	0 00	1 00	0 00	4 20	1,513 00	360 24
<b>Total Hours</b>	<b>4.50</b>	<b>113 10</b>	<b>25 90</b>	<b>73 00</b>	<b>0 00</b>	<b>216.50</b>		<b>321 07</b>
<b>Total Estimated Fees (£)</b>	<b>2,700 00</b>	<b>44,357 00</b>	<b>8,404 00</b>	<b>14,050.00</b>	<b>0 00</b>		<b>69,511 00</b>	

TPO (UK) LLP (In Administration)

Analysis of Pre-Appointment Time Costs

Classification of Work Function	Hours				Total Hours	Time Cost (£)	Avg Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant			
Cashiering and Accounting	0 00	0 00	0 00	0 30	0 30	57 00	190 00
Dealing with Notice of Intention to Appoint	0 00	1 90	0 00	0 40	2 30	988 00	429 57
Dealing with Directors and Management	0 00	15 00	0 00	0 00	15 00	7,002 00	466 80
Financial Review	0 00	0 30	0 00	0 00	0 30	117 00	390 00
IPS Set Up and Maintenance	0 00	0 70	0 00	0 00	0 70	300 00	428 57
Insurance	0 00	0 00	0 00	0 10	0 10	19 00	190 00
Strategy, Planning and Control	4 40	8 00	17 70	3 80	33 90	12,416 00	366 25
Creditors							
Communication with Creditors / Employees	0 00	2 00	0 00	0 00	2 00	960 00	480 00
Non Pref Creditors / Employee Claims Handling	0 00	0 00	0 00	0 20	0 20	38 00	190 00
Secured Creditors	2 60	0 00	0 00	0 00	2 60	1,560 00	600 00
Realisation of Assets							
Freehold and Leasehold Property	0 00	3 60	0 00	0 00	3 60	1,413 00	392 50
Goodwill and Intellectual Property Rights	0 00	0 50	0 00	0 00	0 50	240 00	480 00
Other Tangible Assets	0 00	0 40	0 00	0 00	0 40	192 00	480 00
Fixtures and Fittings	0 00	0 20	0 00	0 00	0 20	96 00	480 00
Sale of Business	2 50	44 20	9 40	7 40	63 50	27 130 00	427 24
Total Hours.	9.50	76 80	27.10	12 20	125.60		418.22
Total Fees Claimed: (£)	5,700.00	35,838.00	8,672 00	2,318.00		52,528.00	

## TPO Plc (In Administration)

### Analysis of the Joint Administrators' Time Costs for the Reporting Period

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case Review and Case Diary Management	0 00	1 60	0 00	0 30	0 00	1 90	681 00	358 42
Cashiering and Accounting	0 00	0 60	0 00	0 40	0 00	1 00	340 00	340 00
Dealings with Directors and Management	0 00	5 20	0 00	1 10	0 00	6 30	2 259 50	358 65
IPS Set Up and Maintenance	0 00	0 00	0 00	1 80	0 00	1 80	360 00	0 00
insurance	0 00	0 00	0 00	0 10	0 00	0 10	19 00	190 00
Statement of Affairs	0 00	1 30	0 00	0 00	0 00	1 30	507 00	0 00
Statutory Matters (Meetings, Reports and Notices)	0 50	3 20	0 00	10 50	0 00	14 20	3 736 50	263 13
Strategy Planning and Control	0 50	0 00	0 00	1 30	0 00	1 80	547 00	303 89
Tax Compliance / Planning	0 00	0 00	0 00	0 80	0 00	0 80	152 00	190 00
<b>Creditors</b>								
Communications with Creditors / Employees	0 00	6 40	0 00	4 10	0 00	10 50	3 275 00	311 90
Non Pref Creditors / Employee Claims Handling	0 00	0 00	0 00	0 30	0 00	0 30	57 00	190 00
Secured Creditors	0 00	1 40	0 00	0 00	0 00	1 40	546 00	0 00
<b>Investigations</b>								
CDDA Reports and Communication	1 00	0 00	0 00	1 40	0 00	2 40	866 00	360 83
Financial Review and Investigations	0 00	2 00	0 00	0 00	0 00	2 00	760 00	390 00
<b>Realisation of assets</b>								
Sale of Business	0 00	0 2	0 00	0 00	0 00	0 20	96 00	0 00
<b>Total Hours</b>	<b>2 00</b>	<b>21 90</b>	<b>0 00</b>	<b>22 10</b>	<b>0 00</b>	<b>46 00</b>		<b>309.17</b>
<b>Total Estimated Fees (£)</b>	<b>1,200.00</b>	<b>8,571 00</b>	<b>0 00</b>	<b>4,451 00</b>	<b>0 00</b>		<b>14,222.00</b>	

TPO PLC (In Administration)

Analysis of Pre-Appointment Time Costs

Classification of Work Function	Hours				Total Hours	Time Cost (£)	Avg Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant			
Administration and Planning							
Dealing with Notice of Intention to Appoint	0 00	1 90	0 00	0 40	2 30	988 00	429 57
Financial Review	0 00	0 20	0 00	0 00	0 20	78 00	390 00
IPS Set Up and Maintenance	0 00	0 80	0 00	0 00	0 80	348 00	435 00
Insurance	0 00	0 00	0 00	0 10	0 10	19 00	190 00
Strategy, Planning and Control	0 50	1 20	0 80	5 00	7 50	2,082 00	277 60
Creditors							
Non Pref Creditors / Employee Claims Handling	0 00	0 00	0 00	0 20	0 20	38 00	190 00
Realisation of Assets							
Goodwill and Intellectual Property Rights	0 00	0 60	0 00	0 00	0 60	288 00	480 00
Total Hours:	0.50	4.70	0.80	5.70	11.70		328.29
Total Fees Claimed: (£)	300.00	2,202.00	256.00	1,083.00		3,841.00	

Analysis of Expenses Incurred During the Reporting Period

Notes	Company / Person	Type of Expense	Activity	Date of Instruction	Fee Basis	Incurred to Date	Paid to Date
1	Professional Advisors					(£)	(£)
2	Crowell Moring LLP	Professional Costs	Preparing the appointment notices, the Referral Agreement and providing other ad hoc legal advice	08/02/2019	Time costs	28,750.00	26,500.00
3	AA-Accounting and Business Solutions	Accountants' Fees	Preparation of payroll during the post-Administration period	12/02/2019	Time costs	200.00	200.00
4	Hilco Appraisal Limited	Professional Costs	Agents' fees for valuing assets of the Companies	12/02/2019	Time costs	7,500.00	7,500.00
	<b>Total Professional Advisors' Costs</b>					<b>36,450.00</b>	<b>34,200.00</b>
	<b>Other Expenses</b>						
5	Total Data Management Limited	Statutory Compliance	Storage of books and records of the Companies	*2/02/2019	Cost per unit	455.14	455.14
6	Courts Advertising Limited	Statutory Compliance	Statutory advertising of the appointments	*2/02/2019	Fixed fee	174.96	174.96
	T Developers' Costs	Costs of Realisation	IT subscriptions	*2/02/2019	Cost per unit	2,819.42	2,819.42
	V Parkham & T/A Westcombe Homes	Costs of Realisation	Property lease costs	Not Applicable	Fixed fee	3,223.73	3,223.73
	Accurate Mailing Services Limited	Statutory Compliance	Postage and stationery	*2/02/2019	Cost per unit	243.72	243.72
	PR Facilities Management Ltd	Costs of Realisation	Postage and stationery	*2/02/2019	Cost per unit	15.87	15.87
	Veritas Property Management Ltd	Costs of Realisation	Locksmith services	*2/02/2019	Time costs	192.98	192.98
	AUA Insolvency Risk Services	Insurance	Insurance of the Companies' assets	*2/02/2019	Cost per unit	452.46	452.46
	Companies House Fees	Costs of Realisation	Reimbursement of filing costs	Not Applicable	Cost per unit	24.00	24.00
	<b>Total Other Expenses</b>					<b>7,602.28</b>	<b>7,147.92</b>
	<b>Total Expenses</b>					<b>44,052.28</b>	<b>41,347.92</b>
	<b>Disbursements</b>						
7	<b>Category 1 Disbursements</b>						
	There have been no Category 1 Disbursements incurred during the Reporting Period					-	-
	<b>Total Category 1 Disbursements</b>					-	-
8	<b>Category 2 Disbursements</b>						
	There have been no Category 2 Disbursements incurred during the Reporting Period					-	-
	<b>Total Category 2 Disbursements</b>					-	-
	<b>Total Expenses</b>					<b>44,052.28</b>	<b>41,347.92</b>

**Notes to Estimated Expenses Schedule**

1. The Joint Administrators' choice of professional advisors will be based on their perception of the experience and ability of the respective firms and individuals to perform their work, the complexity and nature of the assignment and the basis of their fees.

2. Legal costs and disbursements in respect of the appointment process, the Referral Agreement and ad hoc legal advice.

3. AA-Accounting and Business Solutions were instructed to raise the post-Administration payroll.

4. The Companies' chattel assets require valuation both for the correct allocation in the sale and also for the chattel assets excluded from the sale to be valued and sold for the benefit of the Administrations.

5. Books and records of the Companies will be stored off site with an external provider for at least the duration of the Administrations plus one year. In addition, it is a statutory requirement that books and records of the Joint Administrators must be kept for six years after the end of the Administration.

6. Statutory advertising in the London Gazette is required under insolvency legislation.

7. Category 1 Disbursements are payments to independent third parties where there is specific expenditure directly referable to the Administration.

8. Category 2 Disbursements are costs that are directly referable to the Administration but not to a payment to an independent third party. No Category 2 Disbursements are expected.

The above costs exclude VAT.

## **Appendix 4**

### **Statement of Creditors' Rights**



## STATEMENT OF CREDITORS RIGHTS

*Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)*

*Section or paragraph numbers refer to Insolvency Act 1986*

If you require a copy of any relevant rule or section, please contact Maddy Skerrett.

This notice is accompanied by the Joint Administrators' Progress Report

### **Information for creditors on remuneration and disbursements of Administrators**

Information regarding the fees and disbursements of Administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Duff & Phelps website at:

**<https://www.duffandphelps.co.uk/services/restructuring/corporate-restructuring-and-debt-advisory/creditor-guides-and-employee-fact-sheets>**

(click on the document 'Administration (appointment from 1 October 2015)'. Should you require a copy, please contact this office

### **Creditors may requisition a decision to be made by all of the creditors for approval of the Joint Administrators' Proposals under para 52(2) Schedule B1 Insolvency Act 1986**

The Joint Administrators shall seek a decision from the Companies' creditors as to whether they approve the proposals if requested by creditors of the Companies, whose debts amount to at least 10 percent of the total debts of the relevant company. Such a request must be received by the Joint Administrators within eight business days of the date on which the Joint Administrator's Progress Report is delivered.

The request for a requisitioned decision must include a statement of the purpose of the proposed decision and either—

(a) a statement of the requesting creditor's claim together with—

- a list of the creditors or contributories concurring with the request and of the amounts of their respective claims or values, and
- confirmation of concurrence from each creditor, or

(b) a statement of the requesting creditor's debt and that that alone is sufficient without the concurrence of other creditors.

Creditor(s) may be requested to meet the costs of a requisitioned decision and a deposit will be required for this purpose. These costs may be ordered to be paid as an expense of the Administration if the creditors so resolve.

A requisitioned decision must be made within 28 days of receiving the deposit or the expiry of 14 days without the Joint Administrator informing the requesting creditor of the deposit sum.

## **Appendix 5**

### **Proof of Debt Form**

**PROOF OF DEBT - GENERAL FORM**

<b>Please tick the appropriate entity:</b> <b>The People's Operator PLC (Company Number: 09083874)</b> <b>The People's Operator Holdings Limited (Company Number: 07978114)</b> <b>The People's Operator (UK) LLP (Company Number: OC380236)</b> <b>(All in Administration)</b>		<b>Tick Box</b> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
This proof must be made out by, or under the direction of, the creditor and authorised by the creditor or a person with relevant authorisation as at the date of administration order		
Date of Administration Order. 12 February 2019		
1	Name of Creditor (If a company please also give company name and registration number)	
2	Address of Creditor for correspondence (principal place of business)	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into administration	£
4	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
5	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
6	Particulars of any security held, the value of the security, and the date it was given	
7	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
8.	Details of any documents by reference to which the debt can be substantiated [Note there is no need to attach them now but the administrator may call for any document or evidence to substantiate the claim at his discretion as may the chair or convenor of any meeting]	
9.	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or in relation to creditor	
	Address of person signing (if different from 2 above)	
Admitted to vote for		Admitted for dividend for
£		£
Date		Date
Administrator		Administrator