

AM10

Notice of administrator's progress report



Companies House

FRIDAY



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22/01/2021

#137

COMPANIES HOUSE

1 Company details

Company number 0 8 6 2 1 1 2 9
Company name in full Squirrel Financial Wellbeing Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Robert
Surname Horton

3 Administrator's address

Building name/number 1 Royal Exchange Avenue
Street
Post town London
County/Region
Postcode E C 3 V 3 L T
Country

4 Administrator's name ①

Full forename(s) Jo
Surname Milner

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 1 Royal Exchange Avenue
Street
Post town London
County/Region
Postcode E C 3 V 3 L T
Country

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	2	d	5	m	0	m	6	y	2	y	0	y	2	y	0
To date	d	2	d	4	m	1	m	2	y	2	y	0	y	2	y	0

7 Progress report

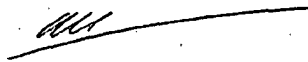
☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

d	2	d	0	m	0	m	1	y	2	y	0	y	2	y	1
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AM10

Notice of administrator's progress report



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 **Serena Piras**

Company name **R2 Advisory Limited**

Address **1 Royal Exchange Avenue**

Post town **London**

County/Region

Postcode **E C 3 V 3 L T**

Country

DX

Telephone **020 7043 4190**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



Where to send

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

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



Further information

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

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

Joint Administrators' Progress Report

**Squirrel Financial Wellbeing Limited
- In Administration**

20 January 2021

SQUIRREL FINANCIAL WELLBEING LIMITED - IN ADMINISTRATION

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- 8** Next Report

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- B** Time Analysis for the period 25 June 2020 to 24 December 2020
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THE ADMINISTRATOR'S PROGRESS REPORT

1 Introduction

- 1.1 I, together with Joanne Milner, was appointed Joint Administrator of Squirrel Financial Wellbeing Limited ('the Company') on 25 June 2020. The appointment was made by the Director.
- 1.2 This Administration is being handled by R2 Advisory Limited at 1 Royal Exchange Avenue, London, EC3V 3LT. The Administrators' contact details are by phone on 020 7043 4190 or via email at enquiries@r2a.uk.com. The Administration is registered in the High Court of Justice, reference number CR-2020-002846.
- 1.3 The registered office of the Company is C/o R2 Advisory Limited, 1 Royal Exchange Limited, London, EC3V 3LT and its registered number 08621129.
- 1.4 As Joint Administrator, I am required to provide a progress report covering the period of six months commencing from the date the Company entered Administration and every subsequent period of six months. This progress report covers the period from 25 June 2020 to 24 December 2020 ('the Period') and should be read in conjunction with my earlier proposals report and any previous progress reports which have been issued.
- 1.5 Information about the way that we use and store personal data on insolvency appointments can be found at www.r2a.uk.com (Privacy Notice). If you are unable to download this, please contact us and a hard copy will be provided to you.

2 Progress of the Administration

- 2.1 You may recall that the statutory objective being pursued in the Administration was *to achieve 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)*.
- 2.2 The Administrators believe that the process of Administration has allowed for the best opportunity to market and sell the Company's assets.
- 2.3 In addition to the pursuance of this statutory objective, the Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.
- 2.4 This section of the report provides creditors with an update on the progress made in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Administrators under other related legislation.
- 2.5 At Appendix A is my Receipts and Payments Account covering the period of this report which is self-explanatory.

Administration

- 2.6 As noted above, the Administrator must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work that we anticipated would need to be done in this area was outlined in the initial fees estimate.
- 2.7 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Administrators.

SQUIRREL FINANCIAL WELLBEING LIMITED - IN ADMINISTRATION

2.8 As noted in the initial fees estimate, this work will not necessarily bring any financial benefit to creditors but is required on every case by statute. This work includes:

- Notifying creditors of the Administrators' appointment and other associated formalities including statutory advertising and filing relevant statutory notices at Companies House
- Preparing and issuing the Administrators' statement of proposals for achieving the purpose of the Administration and thereafter providing periodic progress reports to members and creditors (typically every 6 months).
- Lodging periodic returns with the Registrar of Companies for the Administration
- Complying with statutory duties in respect of the Administrators' specific penalty bond
- Creation and update of case files on the firm's insolvency software
- Securing the Company's books and records
- Pension regulatory reporting and auto-enrolment cancellation
- Completion and filing of the notice of the Company's insolvency to HMRC
- Initial assessment required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 (CDDA) including the review of the Company's books and records and the identification of potential further asset realisations which may be pursued in the Administration
- Submitting a statutory report to the Insolvency Service under the CDDA
- Liaison with the FCA concerning the Company's registrations
- Periodic case progression reviews (typically at the end of Month 1 and every 6 months thereafter)
- Opening, maintaining and managing the Administration estate cashbook and bank account(s)
- Dealing with all post-appointment VAT and corporation tax compliance
- Dealing with employees to provide support and assistance in lodging any claims they may be entitled to make for unpaid wages, holiday pay and other statutory entitlements from the National Insurance Fund and the Company. Liaising with (or appointing) union representatives and payroll providers and reviewing employment contracts as necessary

Realisation of Assets

Intellectual Property

2.9 As detailed within the Administrators' proposals dated 18 August 2020, Metis Partners Ltd ('Metis') were instructed to assist in the valuation and sale of the Company's intellectual property assets. Since the date of the Proposals, the original deadline for offers of 2 September 2020 was extended for two weeks. Since the revised deadline, several parties expressed interest in the Company's intellectual property and assets.

2.10 Discussions in relation to the potential sale are currently ongoing. These discussions are commercially sensitive and it would not be appropriate to provide any information on this aspect at this point. A further update will be provided to creditors in due course.

2.11 The Administrators have continued to liaise with the FCA in relation to a potential sale and in order to ensure the Company is meeting its regulatory obligations.

Cash at Bank

2.12 Cash at bank has been realised in full in the sum of £65,981.07.

2.13 It is considered that the work the Administrators and their staff have undertaken to date will bring a financial benefit to creditors.

Creditors (claims and distributions)

2.14 Further information on the anticipated outcome for creditors in this case can be found at section 5 of this report.

2.15 If a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments. This work per se will generate no benefit to the estate.

SQUIRREL FINANCIAL WELLBEING LIMITED - IN ADMINISTRATION

Investigations

- 2.16 Some of the work the Administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 ('CDDA 1986') and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Administrators can pursue for the benefit of creditors.
- 2.17 I have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 2.18 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting (where held) or as a response to my request to complete an investigation questionnaire. My investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors.

3 Pre-administration Costs

- 3.1 There are no pre-administration costs in this case.

4 Joint Administrators' Remuneration

The basis of the Administrators' fees has been fixed in the Administration by reference to the time properly spent by them and their staff in managing the Administration. My fees estimate was originally provided to creditors when the basis of my remuneration was approved and was based on information available to me at the time.

- 4.1 A copy of that estimate is reproduced below:

Category of work	Estimated Number of Hours	Average blended charge out rate £	Estimated cost £
<i>Administration (inc statutory compliance)</i>	28	351	9,828
<i>Realisation of assets</i>	12	351	4,212
<i>Creditors (claims & reporting)</i>	25	351	8,775
<i>Investigations</i>	18	351	6,318
Total estimated fees	79		29,133

- 4.2 My time costs for the Period are £19,466.65. This represents 53.99 hours at an average rate of £360.58 per hour. Attached at Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent in managing the Administration. To date, £11,020.50 has been drawn on account.
- 4.3 The time costs to date are broadly in line with the Fees Estimate. I would confirm my Fees Estimate for the Administration remains adequate. Should the position change, creditors will be advised accordingly.

SQUIRREL FINANCIAL WELLBEING LIMITED - IN ADMINISTRATION

4.4 A copy of "A Creditors' Guide to Administrators' Fees" is available on request or can be downloaded from www.r2a.uk.com (Creditor & Technical Area).

4.5 Attached at Appendix C is additional information in relation to the Administrators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

5 Estimated Outcome for Creditors

5.1 At this stage, it is anticipated there may be full return to creditors, with a possible return to the members. The quantum and timing of any potential dividend remains uncertain at this stage.

Secured Creditors

5.2 There are no secured creditors in this matter.

Preferential Creditors

5.3 We have not been made aware of any preferential claims in this case to date.

Unsecured Creditors

5.4 To date, no unsecured claims have been admitted. The Director's statement of affairs estimated unsecured claims at £29,200.

6 Ending the Administration

6.1 If the Administrators think a dividend may be paid to the unsecured creditors other than by virtue of the Prescribed Part, the Administrators will file a notice with the Registrar of Companies in order that the Administration will cease, and the Company will move automatically to CVL to facilitate this distribution. The Administrators in office at the date of conversion to CVL will become the Joint Liquidators of the CVL.

6.2 The Joint Liquidators will be authorised to act jointly and severally in the subsequent liquidation.

6.3 The Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect.

7 Creditors' Rights

7.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.

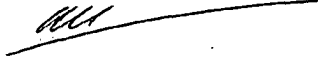
7.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrators, as set out in this progress report, are excessive.

SQUIRREL FINANCIAL WELLBEING LIMITED - IN ADMINISTRATION

8 Next Report

- 8.1 The Administrators are required to provide a progress report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised or they wish to extend it.

For and on behalf of
Squirrel Financial Wellbeing Limited



Robert Horton
Joint Administrator

SQUIRREL FINANCIAL WELLBEING LIMITED - IN ADMINISTRATION

Appendix A

Receipts and Payments Account from 25 June 2020 to 24 December 2020

**Squirrel Financial Wellbeing Limited
(In Administration)
Joint Administrators' Summary of Receipts and Payments**

25 June 2020 to 24 December 2020

RECEIPTS	Statement of Affairs (£)	Total (£)
Intellectual Property	1,795,000.00	Nil
Cash at Bank	73,546.09	65,981.07
Bank Interest Gross		4.90
		<u>65,985.97</u>
PAYMENTS		
Specific Bond		2,600.00
Office Holders Fees		11,020.50
Subscription Expenses		2,845.92
Agents Fees - Metis Partners		5,000.00
Legal Fees		1,224.50
Statutory Advertising		182.00
		<u>22,872.92</u>
Net Receipts/(Payments)		<u>43,113.05</u>

MADE UP AS FOLLOWS

Bank 2 Current	39,627.65
VAT Receivable / (Payable)	<u>3,485.40</u>
	<u>43,113.05</u>



Robert Horton
Joint Administrator

SQUIRREL FINANCIAL WELLBEING LIMITED - IN ADMINISTRATION

Appendix B

Time Analysis for the Period from 25 June 2020 to 24 December 2020

Appendix B

Time Entry - SIP9 Time & Cost Summary

SQUI001 - Squirrel Financial Wellbeing Limited

Project Code: POST

From: 25/06/2020 To: 24/12/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	7.00	0.78	17.55	0.00	25.33	8,128.00	320.88
Creditors	3.70	0.00	4.00	0.00	7.70	2,825.00	366.88
Investigations	0.40	0.00	0.90	0.00	1.30	441.00	339.23
Realisation of Assets	14.12	3.24	2.30	0.00	19.66	8,072.65	410.68
Total Hours	25.22	4.02	24.75	0.00	53.99	19,466.65	360.58

SQUIRREL FINANCIAL WELLBEING LIMITED - IN ADMINISTRATION

Appendix C

Additional Information in Relation to the Joint Administrators' Fees, Expenses & Disbursements

1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Director, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case.

2 Professional Advisors

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Metis Partners Limited (Agent's costs in dealing with asset sale)	Fixed initial fee of £5,000 + 20% of realisations and disbursements
Seddons Solicitors (Solicitor's costs in dealing with appointment formalities, sale agreement and general advice to Administrators)	Time costs and expenses

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

3 Joint Administrators' Expenses & Disbursements

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the Administration was provided to creditors in the Administrators' Proposals Report, a copy of which is set out below:

Expense	Provider	Basis of fee arrangement	Estimated Cost £
Employee claims processing	Evolve IS	Fixed fee scale rate	245.00
Agent's costs in dealing with asset sale	Metis Partners Limited	Fixed fee, 10% of realisations to be charged and disbursements	45,000.00
Solicitor's costs in dealing with appointment formalities and sale agreement	Seddons Solicitors	Time costs and expenses	20,000.00
Statutory advertising	Courts Advertising	£91.00 per advert	273.00
Administrator's bond	Marsh UK Limited	Risk based scale rates	2,600.00
Insurance of assets	Hiscox Insurance/ Marsh UK Limited	TBC	TBC
Total Expenses			68,118.00

SQUIRREL FINANCIAL WELLBEING LIMITED - IN ADMINISTRATION

Current position of Joint Administrator' expenses

- 3.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Agent's costs	Nil	5,000.00	Nil	45,000.00
Solicitor's costs in dealing with appointment formalities and sale agreement	Nil	1,224.00	1,761.50	20,000.00
Statutory advertising	Nil	182.00	Nil	182.00
Specific penalty bond	Nil	2,600.00	Nil	2,600.00
Subscriptions	Nil	2,845.92	Nil	TBC

- 3.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.
- 3.4 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided in the Administrators' Proposals Report and approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

4 Charge-Out Rates

- 4.1 A schedule of R2 Advisory Limited charge-out rates for this assignment effective from 1 October 2019 is detailed below. Please note this firm records its time in minimum units of 6 minutes.

	Hourly rate (£)	
	Standard	Complex
Director	450	562
Manager	320 – 395	345 – 494
Administrator	125 – 290	160 – 362
Support	95	119