

# AM10 (Scot)

## Notice of administrator's progress report



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	S	C	3	7	7	4	1	6
Company name in full	Houseology Design Group Ltd							

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

### 2 Administrator's name

Full forename(s)	Barry
Surname	Stewart

### 3 Administrator's address

Building name/number	Leonard Curtis
Street	4th Floor
	58 Waterloo Street
Post town	Glasgow
County/Region	
Postcode	G 2 7 D A
Country	

### 4 Administrator's name ①

Full forename(s)	George
Surname	Lafferty

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

### 5 Administrator's address ②

Building name/number	Leonard Curtis
Street	4th Floor
	58 Waterloo Street
Post town	Glasgow
County/Region	
Postcode	G 2 7 D A
Country	

② **Other administrator**  
Use this section to tell us about  
another administrator.

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## Notice of administrator's progress report

### 6 Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
To date	<sup>d</sup> 2	<sup>d</sup> 2	<sup>m</sup> 0	<sup>m</sup> 7	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1

### 7 Progress report

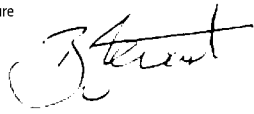
☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date

<sup>d</sup> 2	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 8	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
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# AM10 (Scot)

## 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	Greg Templeton
Company name	Leonard Curtis
Address	4th Floor
	58 Waterloo Street
	Glasgow
Post town	
County/Region	
Postcode	G 2 7 D A
Country	
DX	
Telephone	0141 212 2060



### 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,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.  
DX ED235 Edinburgh.



### 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

**HOUSEOLOGY DESIGN GROUP LTD  
(IN ADMINISTRATION)**

Registered Number: SC377416  
Court Ref: P65/19  
Court of Session

**Joint Administrators' Third Progress Report in accordance  
with Rule 3.93 of the Insolvency (Scotland) (Company Voluntary Arrangements and  
Administration) Rules 2018**

**Report period  
23 January 2021 to 22 July 2021**

**27 August 2021**

**Barry Stewart and George Lafferty - Joint Administrators  
Leonard Curtis  
4th Floor, 58 Waterloo Street, Glasgow, G2 7DA  
Tel: 0141 212 2060 Fax: 0141 212 2061  
General email: [recovery@leonardcurtis.co.uk](mailto:recovery@leonardcurtis.co.uk)  
Ref: G/58/GT/H016G/1010**

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**STRICTLY PRIVATE AND CONFIDENTIAL  
NOT FOR PUBLICATION**

**TO: THE REGISTRAR OF COMPANIES  
THE COURT  
ALL CREDITORS  
ALL MEMBERS**

**1 INTRODUCTION**

- 1.1 This report has been produced in accordance with Rule 3.93 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 (“the Rules”) to provide creditors with an update on the progress of the Administration of Houseology Design Group Ltd (“the Company”) for the period from 23 January 2021 to 22 July 2021. This is the Joint Administrators’ Third Progress Report to creditors.
- 1.2 Much of the information contained in this report encompasses the whole period of the Administration. Please be aware, however, that where reference is made to “the period of this report”, this specifically means 23 January 2021 to 22 July 2021, being the period since the end of the period covered by the last progress report.

**2 STATUTORY INFORMATION**

- 2.1 Stuart Robb and Michelle Elliot were appointed as Joint Administrators of the Company in the jurisdiction of Court of Session, number P65/19 on 23 January 2020. The Administration appointment was made by the Director. Thereafter, Barry Stewart and George Lafferty replaced the original Administrators on 9 March 2021 as part of a block transfer.
- 2.2 The Administration is being handled by the Glasgow office of Leonard Curtis, which is situated at 4th Floor, 58 Waterloo Street, Glasgow, G2 7DA.
- 2.3 The principal trading address of the Company was 28 Speirs Wharf, Glasgow, G4 9TG. The business traded under its registered name.
- 2.4 The registered office address of the Company at the date of the appointment of the Joint Administrators was 28 Speirs Wharf, Glasgow, G2 7DA. Following the appointment, this was changed to 4th Floor, 58 Waterloo Street, Glasgow, G2 7DA. The registered number of the Company is SC377416.
- 2.5 For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended), it should be noted that during the period in which the Administration Order is in force, any act or function required or authorised under any enactment to be done by the Joint Administrators may be exercised by all or any of the persons holding that office.
- 2.6 The Company’s main centre of operations is based in the UK. The EC Regulation on Insolvency Proceedings applies and the proceedings are main proceedings under the Regulation.

**3 JOINT ADMINISTRATORS’ PROPOSALS**

- 3.1 Attached at Appendix A is a summary of the Joint Administrators’ approved proposals for achieving one of the three statutory purposes of Administration.
- 3.2 The Proposals were approved by the Company’s creditors on 10 March 2020.

- 3.3 There have been no major amendments to, or deviations from, the proposals during the course of the Administration to date.
- 3.4 The objective of the Administration is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were to be wound up (without first being in administration).
- 3.5 Following the sale of the Company's assets, the Joint Administrators have achieved a better result for the Company's creditors as a whole than would be likely if the Company be wound-up (without first being in Administration).

## 4 PROGRESS OF THE ADMINISTRATION

- 4.1 Attached at Appendix B is the Joint Administrators' receipts and payments account for the period from 23 January 2021 to 22 July 2021.

## 5 ASSETS STILL TO BE REALISED

- 5.1 Asset realisations have concluded and we are now finalising the adjudication of creditor claims alongside the costs of the Administration to facilitate the distribution of funds in hand to the appropriate body of creditors.
- 5.2 The assets realised will be utilised to enable a distribution to the unsecured creditors.

## 6 INVESTIGATIONS

- 6.1 Following their appointment, the 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.
- 6.2 That assessment did not identify any possible further realisations. In addition, the Joint Administrators concluded that no further investigations were required. If, however, any creditor is aware of any particular matters which they consider require investigation, they should please send full details to this office at the address given at the front of this report.
- 6.3 Regardless of the above, the Joint Administrators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

## 7 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

### Joint Administrators' Remuneration

- 7.2 On 26 June 2020, the secured and preferential creditors approved that the basis of the Joint Administrators' remuneration be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration.
- 7.3 The time charged by the Joint Administrators for the period of this report amounts to £18,318.00. This represents 69.5 hours at an average rate of £263.57 per hour. A summary of time costs incurred in the period is set out at Appendix C, together with a detailed description of work undertaken in the period, attributable to each category of time costs, and an explanation of why it was necessary for that work to be performed.

- 7.8 Further guidance may be found in “A Creditors’ Guide to Administrators’ Fees” which may be downloaded from: <https://www.icas.com/technical-resources/creditor-guides-to-office-holder-remuneration>.
- 7.9 If you would prefer this to be sent to you in hard copy, please contact Greg Templeton of this office on 0141 212 2060.
- 7.10 The remuneration drawn by the Joint Administrators to date totals £100,000.00 plus VAT.

## **8 JOINT ADMINISTRATORS’ EXPENSES**

- 8.1 Expenses are separated into the following categories:
- (i) Standard Expenses: this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.
  - (ii) Case Specific Expenses: this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in a particular case. Also included within this category are costs that are directly referable to the Administration but are not paid to an independent third party (and which may include an element of allocated costs). These are known as “Category 2 expenses” and are subject to the approval of the creditors.

These are known as ‘Category 2 expenses’ and are subject to the approval of creditors.

Additionally, with effect from 1 April 2021, the Joint Liquidators 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. Payments to associates are subject to the same level of approval as the office holder’s fees and category 2 expenses and further details are included at Appendix D.

- 8.2 The following Category 1 and Category 2 disbursements have been incurred on the case since appointment:

### **Category 1 Expenses**

Charged by	Services provided	Total amount pd by LC £	Amount recovered from case £	Amount still to be recovered from case £
EPE Reynell	Statutory advertising	79.00	79.00	0.00
Royal Mail	Mail Redirection	211.00	211.00	0.00
Employee	Travel expenses	137.83	137.83	0.00
AUA Insolvency Risk Service	Bordereau fee	654.00	550.00	104.00
Registers of Scotland	Land Register search	15.00	15.00	0.00
Pelstar Ltd	Creditor Web	70.00	70.00	0.00
JLT Specialty Ltd	Insurance costs	392.00	392.00	0.00
Postworks	Postage	3.34	0.00	3.34



## Category 2 Expenses

Charged by	Services provided	Total amount pd by LC £	Amount recovered from case £	Amount still to be recovered from case £
Pelstar Ltd	Creditor Web	82.60	0.00	82.60

- 7.6 The Joint Administrators have also incurred the following, additional expenses during the period of this report. These expenses are detailed in the table below, which also indicates whether these expenses have yet been paid from the case funds:

Nature of expenses	By whom provided	Amount incurred this period £	Total amount incurred to date £	Amount paid £	Amount unpaid £
Other Professional Fees	Evolve IS Ltd	1,245.00	1,695.00	1,695.00	0.00
Storage Costs	Iron Mountain (UK) Limited	82.12	82.12	82.12	0.00
	Lens Self Storage	0.00	5,518.05	5,518.05	0.00
<b>TOTAL</b>		<b>1,327.12</b>	<b>7,295.17</b>	<b>7,295.05</b>	<b>0.00</b>

- 8.5 Since our last report, the following professional advisors ("PA") and / or subcontractors ("S") have been instructed:

Name of Professional Advisor	Service Provided	Basis of Fees
Evolve IS Ltd	Professional Services	Fixed fee

- 8.6 Attached at Appendix D is additional information in relation to the firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade. Please be aware that the firm's charge out rates have been amended with effect from 1 March 2021.
- 8.7 Under Rule 3.100 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 25% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court, on the grounds that the basis fixed for the Joint Administrators' remuneration is inappropriate, or the remuneration or expenses charged by the Joint Administrators are, in all the circumstances, excessive.
- 8.8 The application must be made no later than eight weeks after the end of the accounting period in question.
- 8.9 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 Administration.

**9 ESTIMATED OUTCOME FOR CREDITORS.**

**Secured Creditors**

- 9.1 The Company had granted a floating charge in favour of William Currie, Salvators Lending Limited, William Dobbie and Sir Terence Leahy, dated 17 October 2018 and registered on 24 October 2018.
- 9.2 The Company had also granted a second floating charge in favour of William Currie dated, 19 November 2018 and registered on 26 November 2018.
- 9.3 The first ranking floating charge holders received an interim dividend of £120k, which was paid in December 2020. It is expected that a final dividend will be payable to the floating charge holders, however, the timing of that dividend is not yet known.
- 9.4 We do not anticipate a return to the second ranking floating charge holder in this instance.

**Preferential Claims**

- 9.5 The only categories of claims which have preferential status are those of employees in respect of wages and accrued holiday pay, and certain pension contributions.
- 9.6 We estimated that the amount of preferential claims were approximately £20,671, however, preferential claims have now been formally adjudicated upon and a first and final dividend of 100p in the £ was distributed to preferential creditors on 25 September 2020, totalling £19,404.

**Prescribed Part**

- 9.7 The Insolvency Act 1986 provides that, where a company has created a floating charge after 15 September 2003, the Joint Administrators must make a *prescribed part* of the Company's net property available to the unsecured creditors, and not distribute it to the floating charge holder, except in so far as it exceeds the amount required for the satisfaction of unsecured claims.
- 9.8 Net property is the amount remaining from net floating charge realisations after payment of preferential claims, but before any distribution to the secured floating charge holders. The amount of the fund set aside for unsecured creditors is calculated as 50% of net property up to £10,000, plus, 20% of net property thereafter up to a maximum fund of £800,000.
- 9.9 Based upon the information currently available a prescribed part fund will be made available to the unsecured creditors.

**Unsecured Ordinary Claims**

- 9.10 The Joint Administrators' efforts during the period have been focused on adjudicating the claims received to facilitate a dividend to the ordinary unsecured creditors, by way of the Prescribed Part. It appears that some claims included retention of title elements which have been returned to the customers, or repaid, these amounts are to be deducted from the admitted claim. We shall soon be writing out to creditors confirming the position in respect of their claim.
- 9.11 If you have not already done so, please submit details of your claim to my office. A proof of debt form is attached at Appendix E for your ease of use.

**10 MATTERS STILL TO BE DEALT WITH**

- 10.1 Matters still to be dealt with before conclusion of the Administration include the following:
- The formal agreement of unsecured creditor claims;
  - A final distribution to the floating charge creditors;
  - A first and final dividend to the ordinary unsecured creditors, by way of the Prescribed Part fund; and
  - The unpaid remuneration and expenses of the Administration will need to be defrayed.

**11 EXTENSIONS TO THE ADMINISTRATION**

- 11.1 The appointment of administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.
- 11.2 In certain circumstances it may be necessary to extend the administrators' term of office.
- 11.3 As you will be aware, the period of the administration was extended until 22 January 2022, with the consent of:
- each secured creditor of the Company; and
  - a decision of the preferential creditors in a decision procedure.

**12 NEXT REPORT**

- 12.1 The Joint Administrators are required to provide a progress report which must be delivered within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.

**13 DATA PROTECTION**

- 13.1 Finally, when submitting details of your claim in the administration, you may disclose personal data to the Joint Administrators. 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 Administrators act as Data Controllers in respect of personal data they obtain in relation to this administration and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Administrators' privacy notice, which is attached to this report at Appendix I, 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.

If you wish to discuss the issues raised in this report or require any additional information, please contact this office.

Yours faithfully



**BARRY STEWART**  
**JOINT ADMINISTRATOR**

Barry Stewart and George Lafferty are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants of Scotland under office holder numbers 9450 and 9584, respectively

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

**SUMMARY OF JOINT ADMINISTRATORS' APPROVED PROPOSALS**

1. The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration.
2. If appropriate, the Joint Administrators take any action they consider necessary with a view to the approval of a Company Voluntary Arrangement ("CVA") or Scheme of Arrangement in relation to the Company.
3. If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation ("CVL"). It is further proposed that the Joint Administrators in office at the date of conversion to CVL will become the Joint Liquidators of the Company, and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB. Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
4. Alternatively, if appropriate, the Joint Administrators apply to Court under Paragraph 65 (3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured creditors within the Administration.
5. In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved.
6. The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
7. The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that Stuart Robb and/or Michelle Elliot be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them.
8. The Joint Administrators shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.
9. The Joint Administrators be authorised to distribute funds to the secured or preferential creditors as and when claims are agreed and funds permit.
10. Subject to any order of the court required under Paragraph 65 of Schedule B1 to the Insolvency Act 1986 (as amended), the Joint Administrators be authorised to distribute funds to the unsecured creditors as and when claims are agreed and funds permit.

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM  
23 JANUARY 2021 TO 22 JULY 2021**

**Joint Administrators Abstract of Receipts & Payments**

H016G Houseology Design Group Ltd (ADM)

Statement Of Affairs	From 23/01/2021 To 22/07/2021	From 23/01/2020 To 22/07/2021
<b>FLOATING CHARGE ASSETS</b>		
PayPal	0.00	10,000.00
Rates Refund	0.00	2,459.59
Intellectual Property	0.00	193,911.22
79,950.27 Material Damages Claim	0.00	93,697.10
55,000.00 Business Interruption Claim	0.00	61,907.44
23,365.36 Stock - Glasgow	0.00	15,000.00
IT Equipment	0.00	2,766.67
Share Sale	0.00	25,000.00
92,227.44 Balance at Bank	0.00	101,409.39
Deposit Interest Gross	0.00	2.60
	<b>0.00</b>	<b>506,184.11</b>
<b>COSTS</b>		
Call Centre Fee	0.00	1,323.00
Travel Expenses	0.00	137.53
Mail Redirection	0.00	211.00
Registers of Scotland	0.00	15.00
Administrators' Remuneration	0.00	100,000.00
Agents' Fees and Expenses	0.00	34,365.40
Solicitors' Fees and Expenses	0.00	50,173.66
Statutory Advertising	0.00	79.00
Bordereau Fee	0.00	550.00
Other Professional Fees	1,245.00	4,765.92
Storage Charges	62.12	5,600.17
Software Licence	0.00	44.60
Rent	0.00	6,324.17
Insurance	0.00	392.00
Bank Interest and Charges	0.00	37.50
Wages and Salaries	0.00	17,035.13
Creditor Gateway	0.00	25.20
	<b>(1,327.12)</b>	<b>(221,079.98)</b>
<b>PREFERENTIAL CREDITORS</b>		
(20,671.31) PREFERENTIAL CREDITORS	0.00	19,404.49
	<b>0.00</b>	<b>(19,404.49)</b>
<b>FLOATING CHARGE CREDITORS</b>		
Floating Charge Creditor	0.00	120,000.00
	<b>0.00</b>	<b>(120,000.00)</b>
<b>UNSECURED CREDITORS</b>		
(952,755.00) Trade and Expense Creditors	0.00	0.00
	<b>0.00</b>	<b>0.00</b>
<b>(722,886.24)</b>	<b>(1,327.12)</b>	<b>145,699.64</b>
<b>REPRESENTED BY</b>		
Fixed Charge Account	(1,592.54)	125,167.16
VAT Control Account	249.00	20,496.04
VAT Received	16.42	16.42
	<b>(1,327.12)</b>	<b>145,699.64</b>

**SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD  
FROM 23 JANUARY 2021 TO 22 JULY 2021**

	Director		Manager 1		Manager 2		Administrator 3		Administrator 4		Total		Average
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Hourly Rate £
Statutory & Review	12	660.00	6	249.00	-	-	-	-	-	-	18	909.00	505.00
Receipts & Payments	-	-	7	290.50	-	-	7	161.00	3	52.50	17	504.00	296.47
Insurance	-	-	-	-	-	-	5	122.50	-	-	5	122.50	245.00
Liabilities	9	477.50	111	4,464.50	48	1,752.00	264	6,187.50	208	3,592.00	640	16,473.50	257.40
General Administration	-	-	-	-	-	-	8	188.50	7	120.50	15	309.00	206.00
Total	21	1,137.50	124	5,004.00	48	1,752.00	284	6,659.50	218	3,765.00	695	18,318.00	
Average Hourly Rate (£)		<u>541.67</u>		<u>403.55</u>		<u>365.00</u>		<u>234.49</u>		<u>172.71</u>		<u>263.57</u>	
All Units are 6 minutes													

## DESCRIPTION OF TIME SPENT BY CATEGORY

### Statutory and Review

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

- Case management reviews. These will be carried out periodically throughout the life of the case. In the early stages of the case this will involve weekly team meetings to discuss and agree case strategy and a month 1 review by the firm's Compliance team to ensure that all statutory and best practice matters have been dealt with appropriately. As the case progresses we will carry out regular reviews 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;
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice;
- The team is required under the Company Directors' Disqualification Act 1986 to review the Company's records and consider information provided by creditors on the conduct of the all directors involved in the Company during the three years leading up to the insolvency. This will result in the preparation and submission of statutory returns or reports on all directors to the Insolvency Service. Evidence of unfit conduct can result in directors being disqualified for periods of up to 15 years;
- Review of directors' sworn statement of affairs and filing of document at Companies House in accordance with statutory requirements; and
- Completion of case closing procedures at the end of the case.

### 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 accounts
- Management of case bank account(s) to ensure compliance with relevant risk management procedures;
- Regular review of case bank account by senior member of staff to ensure that fixed and floating charge assets have been properly identified and prescribed part funds have been set aside where appropriate
- 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 insurance and 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.

- Reviewing and progressing any pre-appointment insurance claims
- Notification and progression of post-appointment insurance claims;
- Periodic review of insurance requirements over physical assets, to minimise costs to the estate;
- Calculation and request of Joint Administrators' bond in accordance with the Insolvency Practitioners' Regulations 2005. A Bond is a legal requirement on all administrations 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 liaising with the Company directors to establish the existence of Company pension schemes, making the statutory notifications under s22 and s120 of the pensions legislation; liaising with pensions providers to understand the nature of the scheme, and submitting claims to the Redundancy Payments Service for reimbursement of unpaid contributions to the scheme.
- Liaising with pension companies to arrange for prompt wind up of schemes

### **Assets**

- Agreeing strategy for realisation of Company assets
- Instruction of and liaising with agents as required
- Liaising with Company's bankers re pre-appointment bank accounts;
- Identification and return of third party assets
- Identification and dealing with any assets subject to retention of title

### **Liabilities**

This category of time includes both statutory and non-statutory matters.

#### *Statutory*

- Processing of claims from the Company's creditors
- Processing of claims from the Company's employees
- Preparation, review and submission of pre-appointment tax and VAT returns; and
- Preparation and submission of periodic progress reports to creditors

#### *Non-statutory*

- Dealing with enquiries from the Company's creditors
- Dealing with enquiries from the Company's employees

### **Landlords**

- Review of current leases in respect of Company premises.; and
- Liaising with landlords in respect of premises.

### **General Administration**

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

- General planning matters;
- Setting up and maintaining the liquidators' records;
- Arranging collection and storage of company records; and
- Dealing with general correspondence and communicating with directors and shareholders.

### **Appointment**

There are certain tasks which the Joint Administrators have a statutory obligation to undertake during the administration process. Other tasks are completed in order to ensure the administration 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 Administrators' appointment;
- Preparation of case plan; and
- Formulation of case strategy, including recording of any strategic decisions.

### **Post Appointment Creditors' Decisions**

Agreeing and reporting on our proposals and fee basis is a statutory requirement. Work completed to date includes the following:

- Preparation of Joint Administrators' Proposals for achieving a statutory purpose of the Administration;
- Preparation of Fees Estimate and Statement of Expenses in accordance with the Rules; and
- Convening a meeting by correspondence to agree Fees Estimate with appropriate body of creditors;
- Reporting on outcome of voting.

### **Investigations**

- Collecting and reviewing the Company's records
- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations and enable the submission of returns due under the Company Directors Disqualification Act 1986.

## APPENDIX D

## 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

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. 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 below).

Whilst we are not aware of any third parties who meet 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 tables below.

## HOUSEOLOGY DESIGN GROUP LTD – IN ADMINISTRATION

### 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.

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																								
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	
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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.																								

## HOUSEOLOGY DESIGN GROUP LTD – IN ADMINISTRATION

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 - Other	£91.80 - £102.00 plus VAT per advert Dependent upon advert and publication
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 externally 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	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.

Insolvency (Scotland) (Company Voluntary Arrangement and Administration) Rules 2018

Rule 3.105

**Proof of Debt – General Form**  
**Relevant date: 23 January 2020**

**Please e-mail completed form to: [greg.templeton@leonardcurtis.co.uk](mailto:greg.templeton@leonardcurtis.co.uk)**

**Name of Company in Administration:**

Houseology Design Group Ltd

**Company registered number:**

SC377416

1. Name of creditor (if a company, provide registration number)

2. Correspondence address of creditor (including email address)

3. Total amount of claim (£) at relevant date (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. If any part of the debt is claimed as preferential, provide details of the nature and amount of the preferential claim.

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

9. Details of any document by reference to which the debt relates

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

11. Date of signing:

12. Address of person signing (if different from 2 above)

13. Name in BLOCK LETTERS

14. Position with, or relation to, creditor

Notes:

1. 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 the company, please state your relationship to the company.
2. Please e-mail completed form to: [greg.templeton@leonardcurtis.co.uk](mailto:greg.templeton@leonardcurtis.co.uk)

## PRIVACY NOTICE

### 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**