

The Insolvency Act 1986

Administrator's progress report

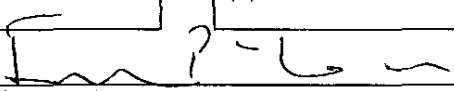
Name of Company All in One Finance Limited	Company number 00829441
In the High Court of Justice, Chancery Division, Leeds District Registry (full name of court)	Court case number 390 of 2015

(a) Insert full name(s) and address(es) of administrator(s)

We (a)
Daniel Smith
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

Joseph P McLean
Grant Thornton UK LLP
No 1 Whitehall Riverside
Whitehall Road, Leeds
LS1 4BN

administrators of the above company attach a progress report for the period

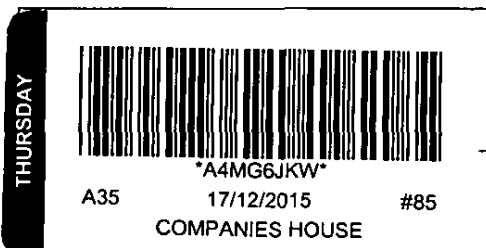
From (b) 12 May 2015	To (b) 11 November 2015
Signed Joint Administrator	
Dated	12 November 2015

Contact Details

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to searchers of the public record

Daniel Smith Grant Thornton UK LLP 30 Finsbury Square London EC2P 2YU	020 7184 4300 DX Exchange
DX Number	



When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

Our Ref DRS/PAM/BLA/EZF/A01001/

To the Creditors

10 December 2015

Dear Sirs

Recovery and Reorganisation

Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester M3 3EB

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**All in One Finance Ltd - In Administration (the Company, AIOF)
High Court of Justice, Chancery Division, Leeds District Registry
No 390 of 2015**

1 Introduction

- 1.1 Following the appointment of Daniel Smith and I as Joint Administrators of the above company by the directors on 12 May 2015, I now report on the progress of the Administration to 11 November 2015 and attach
- Appendix A Form 2.24B, together with an account of our receipts and payments for the period from 12 May 2015 to 11 November 2015
 - Appendix B a statement of the remuneration charged by the Joint Administrators in the period 12 May 2015 to 11 November 2015 and a statement of expenses incurred in the period
 - Appendix C an analysis of our firm's time costs as required by Statement of Insolvency Practice 9
 - Appendix D an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the Administrator (Rule 2.48A)
 - Appendix E an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the Administrator's remuneration or expenses, if excessive (Rule 2.109)
- 1.2 I am authorised by The Institute of Chartered Accountants of Scotland and Daniel Smith is authorised by the Insolvency Practitioners Association to act as insolvency practitioners
- 1.3 In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the Joint Administrators are to be exercised by either or both of them

Chartered Accountants

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales. No OC307742. Registered office: Grant Thornton House, Melton Street, Euston Square, London NW1 2EP. A list of members is available from our registered office. Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered by the member firms. GTIL and its member firms are not agents of and do not obligate one another and are not liable for one another's acts or omissions. A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address. Please see grantthornton.co.uk for further details.

2 Statutory information

2 1 The Company's statutory details are as follows

Registered number	00829441
Registered office	c/o Grant Thornton UK LLP 4 Hardman Square Spinningfields Manchester M3 3EB

3 Pre-appointment expenses

3 1 In accordance with Rule 2 67A of the Insolvency Rules 1986, the creditors of AIOF approved the payment of the following pre Administration costs as expenses of the Administration at the meeting of creditors held on 20 July 2015

- my firm's time costs totalling £18,423 plus VAT
- Addleshaw Goddard LLP's (Addleshaws) time costs relating to legal advice provided with a view to AIOF entering Administration, totalling £15,000 plus disbursements and VAT

3 2 The Addleshaws fee note has been settled and my firm's time costs will be settled in the Administration

4 Progress report

4 1 AIOF operated as the finance arm of the Carcraft Group (defined as Carcraft Group Limited and its subsidiary undertakings) and the Carcraft business had been operated within a legal entity named CC Automotive Group Limited (CCAG)

4 2 AIOF is ultimately owned by Carcraft Group Limited

4 3 The Carcraft business included brokering finance on behalf of a number of external finance providers and provided the Drive Happy Guarantee Package (DHP) which was an MOT, servicing, warranty and roadside assistance package to Carcraft customers

4 4 AIOF provided finance to Carcraft customers, on a non-exclusive basis, in the form of a number of types of loans, and the majority of AIOF's customers had used an AIOF loan to pay for a DHP (as well as a vehicle in part or in full in certain instances)

4 5 Following the appointment of Administrators to CCAG on Thursday 30 April 2015, the Directors of AIOF ceased to enter into new loans with Carcraft customers (due to the cessation of the Carcraft business operations)

4 6 The prohibitive cost of servicing the DHP products led to the immediate cessation of the DHP service on the appointment of the Administrators to CCAG

4 7 At the meeting of creditors held on 20 July 2015, the creditors of the Company approved the Joint Administrators' proposals dated 3 July 2015 (the proposals) without modification, as follows

- The Administrators will pursue the objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company was wound up (without first being in Administration), which will be achieved by the Administrators
 - collecting out the Hire Purchase and Secondary loan books (described in detail in the proposals)
 - communicating through the Carcraft website (and the Grant Thornton web portal), by email and text message, the position regarding the DHP to all known DHP customers
 - liaising with customers to assist with ad hoc queries
- In order to comply with the "Treating Customers Fairly" principles of the FCA, we (in our capacity as Administrators of AIOF) agreed (without prejudice to any claim AIOF may have against CCAG) to reflect the cessation of the DHP in the on-going AIOF loans

Assets

Hire Purchase loans

- 4 8 The proposals outlined the situation regarding block discounting arrangements that applied to the majority of the loans held by AIOF customers
- 4 9 34 unencumbered loans remain owned by AIOF with a receivable balance of £339,000
- 4 10 We retained the Company's independent third party collection agent, Marsh Finance Limited (Marsh) as the collection agent for the unencumbered Hire Purchase loans, on a performance basis
- 4 11 Marsh has remitted £185,000 shortly after our appointment in respect of funds held by it at the date of Administration
- 4 12 Approximately 10% of the remaining unencumbered loan value related to DHPs and in light of the cessation of the DHP, as noted in paragraph 4 6 above, the Administrators of AIOF instructed Marsh to reduce the monthly payments made by Hire Purchase customers where the loan included payments in respect of a DHP
- 4 13 Following elimination of the DHP element of the Hire Purchase loans, there is a gross unencumbered receivable balance of c£270,000 as at November 2015 (subject to future bad debts and direct collection costs)
- 4 14 During the Administration period Marsh has collected and remitted £33,883, with associated costs of £2,800
- 4 15 Subsequent to the period covered by this report we have initiated a sales process in order to realise the value from this loan book

Secondary loans

- 4 16 The proposals outlined the situation regarding secondary loans in that the majority were sold prior to the appointment of Joint Administrators to Aktiv Kapital AS (Aktiv) Aktiv was then sold to PRA Group (UK) Limited (PRA)
- 4 17 At the date of our appointment, AIOF owned 1,670 secondary loans, with a gross receivable balance of £2.9 million as follows

	Remaining balance £'000	Number of loans	Administrators' approach (without prejudice to any claim AIOF may have against CCAG)
DHP only loans	1,416	967	Cancel the loans with effect from 12 May 2015 (ie the date of the Administrators' appointment to AIOF) Refund payments received after 12 May 2015 to customers
Mixed loans, including a proportion of DHP and a vehicle			
• DHP proportion	531	404	Early settlement of the DHP element, reflected as a reduction in the monthly payment with effect from 12 May 2015
• Non-DHP element	569		Refund the DHP element of payments received after 12 May 2015 to customers
Loans without DHP	392	299	Loans collected on existing terms
	<u>2,908</u>	<u>1,670</u>	

- 4 18 We retained the Company's independent third party collection agent, The Nostrum Group Limited (Nostrum) as the collection agent for the unencumbered loans on a performance basis (with minimum monthly charges) We also instructed Nostrum to undertake the work to ensure that our approach set out above is accurately reflected in the loan paperwork (for a fee of £20,000 plus VAT)
- 4 19 Following the amendments to the Secondary loans, there is a gross unencumbered receivable balance (including future interest) of c£1.4 million, of which c£0.6 million is classed as 'in recoveries' (and therefore is likely to carry a higher bad debt risk)

- 4 20 Following our appointment, £202,000 of payments have been received from customers Of these
- £20,400 has been refunded to customers where the payment related to a DHP
 - £58,300 has been transferred to PRA This reflects monies received into the bank account relating to loans sold to PRA prior to the insolvency Subsequent to the reporting period a further £30,000 was transferred to PRA leaving a balance in the Administrators' bank account to be remitted at a later date to PRA
- 4 21 The net funds received post appointment of £83,000, have been retained in the pre appointment bank account but are only partially reflected within the receipts and payments account presented in Appendix A These funds will be transferred to the Joint Administrators' bank account subsequent to the cessation of the direct debit facility subject to the Bank's contingent liability, see 4 30 below
- 4 22 At the date of our appointment, AIOF owned additional secondary loans, with a gross receivable balance of £0 6 million These loans are managed by Bluestone Credit Management Limited (Bluestone) and Arvato Financial Solutions Limited (Arvato) and comprise loans that are in significant arrears
- 4 23 The net funds received post appointment of £27,000, have been retained in the pre appointment bank account As noted in 4 21 they are only partially reflected within the receipts and payments account presented in Appendix A As noted at 4 30 below, these funds will be transferred to the Joint Administrators' bank account subsequent to the cessation of the direct debit facility This is subject to the Bank's contingent liability
- 4 24 The Arvato and Bluestone books are currently under review to ascertain what value can be realised for them It should be noted that low value distressed loan books are likely to realise a sum significantly below book value

Non-AIOF receipts

- 4 25 Prior to our appointment some loans were being collected by Nostrum via a credit/debit card terminal facility operated by Worldpay (UK) Limited (Worldpay) This facility was in the name of CCAG and all funds were remitted to a CCAG bank account
- 4 26 Immediately on our appointment the facility was suspended Investigations have highlighted that Worldpay had retained £19,000 of collections It has also been brought to our attention that the Worldpay facility had been used to collect loans that had been sold to PRA
- 4 27 Worldpay has used the retained funds to finance "chargeback claims" from Carcraft customers At this stage it is unclear what these collections relate to and which party (CCAG, AIOF or PRA) has suffered a loss
- 4 28 Further complications have arisen due to PRA customers continuing to remit funds to the AIOF pre-appointment bank account As noted in 4 20 these funds are being transferred to PRA on a periodic basis after analysis by Nostrum

Cash at bank

- 4 29 As at the date of our appointment AIOF held c£460,000 in cash at National Westminster Bank plc (the Bank). We have made enquiries with the Bank to ascertain what level of cash is available to transfer to the AIOF Administration.
- 4 30 The Bank has confirmed it has a contingent liability in respect of direct debits. This liability continues to increase whilst the facility remains operational.
- 4 31 Upon termination of the facility (on sale of the loan book managed by Nostrum), we will enter into discussions with the Bank to recover the funds held at the date of our appointment.

Corporation tax refund

- 4 32 We have managed to secure a refund of c£170,000.
- 4 33 The refund arose due to an over payment on the March 2014 corporation tax return.

Receipts and payments account

- 4 34 Our receipts and payments account covering the period 12 May 2015 to 11 November 2015 is attached at Appendix B.

Liabilities**Secured creditors**

- 4 35 AIOF's secured creditors comprised the Bank and the block discounters, Hitachi Capital (UK) plc, Siemens Financial Services Limited and Conister Bank Limited.
- 4 36 We have not yet been notified of any debt due to any of the secured creditors.
- 4 37 As at the date of our appointment, the Bank's accounts were in a net credit position (as noted above). The Bank has a contingent liability in respect of direct debits.

Preferential creditors

- 4 38 We are not aware of any employees who claim to be directly employed by AIOF, as AIOF utilised CCAG's staff and paid a monthly recharge to cover the services provided.
- 4 39 As such, we do not expect to receive any preferential creditor claims.

Unsecured creditors

- 4 40 The Directors' statement of affairs indicates total creditor balances of £3,406,987 (£3,171,393 of which is due to CCAG).
- 4 41 In addition to these liabilities, we expect that the following creditors may hold claims:
- PRA, in relation to the impact of the cessation of the DHP on its original AIOF loans
 - former customers of AIOF who may have claims in respect of the cessation of the DHP, historic mis-selling, or other complaints, however, the balances due from customers in respect of DHP have been extinguished with effect from 12 May 2015

Outcome for creditors

- 4 42 As noted in 4 30 the Bank has a contingent liability and holds a debenture. The Bank has not quantified its claim at this stage.
- 4 43 As noted in 4 39 no preferential claims are anticipated.
- 4 44 The statement of affairs indicates that the main unsecured creditors are CCAG and PRA. Neither party has finalised its claim at this time.
- 4 45 A dividend to the unsecured creditors will depend on the value realised from the sale of the loan books and the recovery of cash being held by the Bank under its debenture.

Exit route

- 4 46 The Administration will end by the Company entering Creditors' Voluntary Liquidation, or if there are no monies available for unsecured creditors by the dissolution of the Company. If the Company is placed into Creditors' Voluntary Liquidation the Joint Administrators in office at that date will be appointed Joint Liquidators.

5 Joint Administrators' remuneration and expenses

- 5 1 On 20 July 2015 the creditors resolved that we draw our remuneration by reference to our time costs. You will note from the SIP 9 table attached at Appendix C that our firm's time costs to date are £309,526 and from the receipts and payments account attached at Appendix A that our firm has drawn no fees. In addition our firm has incurred expenses of £604 as indicated in Appendix B.
- 5 2 Significant time has been spent on the following areas:
- eliminating the DHP element of loans from the book managed by Nostrum
 - understanding banking arrangements for loans previously sold to PRA
 - extensive correspondence with Worldpay regarding the operation of its facility
 - dealing with customers via the central email address set-up by our firm
- 5 3 Background information regarding the fees of Administrators can be found at https://www.r3.org.uk/media/documents/publications/professional/Guide_to_Administrators_Fees_Nov2011.pdf. Alternatively, we will supply this information by post on request. Time is charged in 6 minute units.


6 Other expenses incurred by the Joint Administrators

- 6 1 Details of other expenses incurred can be found at Appendix B to this report.

7 Contact

- 7 1 Should you have any queries, please contact Will Bowden on 0161 953 6392.

Yours faithfully
for and on behalf of All in One Finance Ltd



Joseph P McLean
Joint Administrator

The affairs, business and property of All in One Finance Ltd are being managed by
Daniel Smith and Joseph P McLean, appointed as Joint Administrators on 12 May 2015

Enc

All in One Finance Limited - in administration
 Joint Administrators' receipts and payments account
 from 12 May 2015 to 11 November 2015

Receipts	Statement of Affairs (£)	Total (£)
Pre App Funds held by Marsh Finance		184,713 16
Bank Interest		569 36
Natwest x4564 at appt		323,430 09
Natwest x2146 at appt		21,950 72
Natwest x9143 at appt		120,426 53
HP loan book		33,883 41
PRA collections		35,121 04
Book Debts		123,765 84
Cash at Bank	466,926 00	0 00
Bank/ISA InterestGross		174 59
Misc Refunds		169,531 25
Top Up Loan Book	3,159,255 00	0 00
Trade Debtors	415,802 00	0 00
		<hr/> 1,013,565 99 <hr/>
Payments		
Bank Charges		355 45
Repairs & Maintenance		484 17
Postages		9,397 18
Nostrum set up costs		20,000 00
Natwest pre-appt account x9143		240,269 62
Natwest pre-appt account x4564		323,999 45
Natwest pre-appt account x2146		48,964 10
Nostrum collection fees		27,389 07
Marsh Finance collection fees		2,748 50
VAT irrecoverable		25,719 47
Sub contractor payments		1,000 00
Legal Fees (1)		68,992 00
Bank retainer		2,500 00
Statutory Advertising		84 60
Bank Charges		48 50
		<hr/> 771,952 11 <hr/>
Balance - 11 November 2015		<hr/> 241,613 88 <hr/>

Made up as follows

Floating A/c - AIOF - Marsh Finance	60,885 07
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All in One Finance Limited - in administration
Joint Administrators' receipts and payments account
from 12 May 2015 to 11 November 2015

Floating A/c - AIOF - Nostrum	11,132 59
Floating A/c - AIOF - other	169,596 22
	<hr/>
	241,613 88
	<hr/>

B Remuneration charged and expenses incurred by the Joint Administrators' in the period

	Charged/incurred in period 12/05/2015 to 11/11/2015	Cumulative charged/incurred to 11/11/2015	Of which paid to 11/11/2015
	£	£	£
Trading expenses			
Joint Administrators' fees			-
Time costs	309,526	309,526	
Expenses	604	604	-
Professional fees			
The Nostrum Group		47,389	47,389
Marsh Finance Limited		2,749	2,749
Legal fees			
Addleshaw Goddard LLP	4,367	73,359	68,992

C SIP 9 information

Introduction

The following information is provided in connection with the Joint Administrators' remuneration and disbursements in accordance with SIP 9

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as shown on the attached schedule. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it.

	From 01/07/14 to date
	£
Partners up to	740
Managers up to	470
Administrators up to	345
Assistants and support staff up to	230

Disbursements

Out of pocket expenses are charged at cost and mileage is charged at standard rates. VAT is added to disbursement charges as necessary.

Transaction period 12/05/2015 to 11/11/2015

Total fees billed to date (Time) £

D An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator

Rule 2 48A

- (1) If
 - (a) within 21 days of receipt of a progress report under Rule 2 47 -
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)
- (2) The administrator complies with this paragraph by either -
 - (a) providing all of the information asked for, or
 - (b) so far as the administrator considers that
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
 - (iii) the administrator is subject to an obligation of confidentiality in respect of the information,
 giving reasons for not providing all of the information
- (3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of -
 - (a) the giving by the administrator of reasons for not providing all of the information asked for, or
 - (b) the expiry of the 14 days provided for in paragraph (1),
 and the court may make such order as it thinks just
- (4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2 109(1B) by such further period as the court thinks just

**E An extract from the Insolvency Rules 1986 relating to
creditors' rights to challenge the administrator's remuneration
or expenses if excessive**

Rule 2 109

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
- (1A) Application may be made on the grounds that -
 - (a) the remuneration charged by the administrator,
 - (b) the basis fixed for the administrator's remuneration under Rule 2 106, or
 - (c) expenses incurred by the administrator,
 is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 2 48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
 - (a) an order reducing the amount of remuneration which the administrator was entitled to charge
 - (b) an order fixing the basis of remuneration at a reduced rate or amount
 - (c) an order changing the basis of remuneration
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration
 - (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify
 and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report
- (5) 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

The Insolvency Act 1986

Administrator's progress report

Name of Company

All in One Finance Limited

Company number

00829441

In the

High Court of Justice, Chancery Division,
Leeds District Registry

(full name of court)

Court case number

390 of 2015

(a) Insert full
name(s) and
address(es) of
administrator(s)We (a)
Daniel Smith
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YUJoseph P McLean
Grant Thornton UK LLP
No 1 Whitehall Riverside
Whitehall Road, Leeds
LS1 4BN

administrators of the above company attach a progress report for the period

From

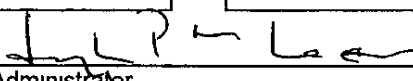
To

(b) Insert date

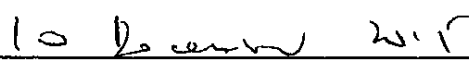
(b) 12 May 2015

(b) 11 November 2015

Signed


Joint Administrator

Dated


10 December 2015