



For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 5 8 7 8 2 4 9

Company name in full Oakam Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Andrew

Surname Tate

3 Administrator's address

Building name/number Montague Place

Street Quayside

Post town Chatham Maritime

County/Region Kent

Postcode M E 4 4 Q U

Country

4 Administrator's name ①

Full forename(s) James

Surname Hopkirk

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Montague Place

Street Quayside

Post town Chatham Maritime

County/Region Kent

Postcode M E 4 4 Q U

Country

② Other administrator

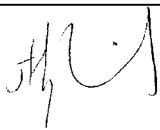
Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6	Period of progress report															
From date	d	2	d	4	m	0	m	8	y	2	y	0	y	2	y	2
To date	d	2	d	3	m	0	m	2	y	2	y	0	y	2	y	3

7	Progress report											
<input checked="" type="checkbox"/> I attach a copy of the progress report												

8	Sign and date															
Administrator's signature	<div>Signature</div> <div>  </div>															
Signature date	d	2	d	2	m	0	m	3	y	2	y	0	y	2	y	3

**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 **Rob Sage**

Company name **Kreston Reeves LLP**

Address **Montague Place**

Quayside

Post town **Chatham Maritime**

County/Region **Kent**

Postcode **M E 4 4 Q U**

Country

DX

Telephone **01634 899800**

**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

Oakam Ltd
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £	From 24/08/2022 To 23/02/2023 £	From 24/02/2022 To 23/02/2023 £
OTHER DIRECT COSTS		
Sub Contractors	160.00	160.00
Customer Refund	7,264.56	19,691.18
	(7,424.56)	(19,851.18)
TRADING EXPENDITURE		
Funds with Soldo	14,400.00	34,100.00
Funds relating to assigned loans	22,570.02	22,570.02
Sundry Expenses	73,924.25	148,122.16
PAYE/NI	16,378.91	61,614.70
Wages	46,435.32	176,193.49
Sub Contractor Payments	75,307.50	143,629.75
Standard Life - Pension Contributions	5,767.16	28,948.35
	(254,783.16)	(615,178.47)
TRADING SURPLUS/(DEFICIT)	(262,207.72)	(635,029.65)

Oakam Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 24/08/2022 To 23/02/2023 £	From 24/02/2022 To 23/02/2023 £	
	ASSET REALISATIONS		
	Bank Interest Gross	139.60	154.34
Uncertain	Book Debts	229,128.91	775,310.40
381,247.00	Cash at Bank	191,935.13	892,852.15
53,840.00	Cash in transit - Worldpay	32,887.78	32,887.78
9,235.00	Computer Hardware	120.00	2,635.00
Uncertain	Computer Software	NIL	NIL
NIL	Office Equipment	NIL	NIL
NIL	Prepayments	NIL	NIL
	Sale of Debtor Book	95,000.00	95,000.00
	Solicitor Refund	NIL	600.00
	Trading Surplus/(Deficit)	(262,207.72)	(635,029.65)
	Verifone UK Limited Refund	NIL	3,240.40
		287,003.70	1,167,650.42
	COST OF REALISATIONS		
	Agents Fees - Hilton Baird	NIL	3,750.00
	Agents/Valuers Fees - Hilco Global	19,000.00	24,350.00
	Agents/Valuers Fees - SIA Group	NIL	450.00
	Bank Charges	76.00	152.00
	Insurance of Assets	403.09	1,503.29
	Joint Administrators Post Appt Disb	1,000.00	1,000.00
	Joint Administrators Post Appt Fees	29,532.50	150,232.50
	Joint Administrators Pre Appt Fees	NIL	11,647.50
	Post Appointment - Legal Fees	19,234.60	56,684.60
	Pre Appointment - Legal Disbursement	NIL	84.00
	Pre-Appointment - Legal Fees	NIL	26,159.20
	Sircles	NIL	900.00
	Statutory Advertising	NIL	94.10
	Storage Costs	6,274.74	9,598.86
		(75,520.93)	(286,606.05)
	PREFERENTIAL CREDITORS		
(30,824.00)	Employee Arrears/Hol Pay	NIL	NIL
(215.00)	Pension - Employee Contributions	NIL	NIL
		NIL	NIL
	SECONDARY PREFERENTIAL CREDITORS		
(600,512.00)	HMRC - PAYE	NIL	NIL
(210,284.00)	HMRC - VAT	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDITORS		
(2,035,759.00)	VPC	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(221,314.00)	Akrod Ltd	NIL	NIL
(81,195.79)	Consumer creditors R1	NIL	NIL
(74,813.24)	Consumer Creditors R2	NIL	NIL
(53,588.29)	Consumer Creditors R3	NIL	NIL
(444,087.00)	HM Revenue & Customs (WHT)	NIL	NIL
(297,982.53)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL

<u>(3,606,352.85)</u>		<u>211,482.77</u>	<u>881,044.37</u>
	REPRESENTED BY		
	Bank 1 Current		854,131.01
	Vat Control Account		18,109.77
	Vat Payable		(162.00)
	Vat Receivable		8,965.59
			<u>881,044.37</u>

Oakam Ltd (In Administration)

Joint Administrator's Second Progress Report to Members and Creditors

Dated: 21 March 2023

OAKAM LTD – IN ADMINISTRATION

JOINT ADMINISTRATOR'S SECOND PROGRESS REPORT TO MEMBERS AND CREDITORS DATED: 21 MARCH 2023

I am reporting on the progress made in the above company's administration since my appointment as Joint Administrator on 24 February 2022.

This report will give an account of my acts and dealings and of the conduct of the administration for the period from my last report to 23 February 2023 and should be read in conjunction with any previous reports and correspondence. I can advise that any references to 'the period covered by this report', refer specifically to the period 24 August 2022 to 23 February 2023 ("the anniversary period").

The contents of this report are detailed as follows:

1. Statutory Information,
2. Administrators' Actions Since Last Progress Report,
3. Receipts and Payments Account,
4. Assets,
5. Liabilities and Dividend Prospects,
6. Administrators' Remuneration,
7. Administrators' Expenses,
8. Further Information,
9. Summary.

The enclosures provided with this report are as follows:

1. Receipts and payments account,
2. Routine work summary,
3. A summary of my firm's time costs to date,
4. Details of my firm's charge out rates and disbursement policy.

STATUTORY INFORMATION

Company name:	Oakam Ltd
Court name and reference:	High Court of Justice 000454 of 2022
Registered office:	Montague Place, Quayside, Chatham Maritime, Chatham, Kent, ME4 4QU
Former registered office:	86-90 Paul Street, London, EC2A 4NE
Registered number:	05878249
Joint Administrators' names;	Andrew Tate and James Hopkirk

Joint Administrators' address: Montague Place, Quayside, Chatham Maritime, Kent, ME4 4QU

Joint Administrators' date of appointment: 24 February 2022

Actions of Administrators Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.

On 10 February 2023, the secured and preferential creditors agreed to extend the Administration of the Company for a period of 12 months. The Administration is now due to expire on 23 February 2024.

ADMINISTRATORS' ACTIONS SINCE LAST PROGRESS REPORT

Joint Administrator's Specific Actions

Since my last progress report, I have continued to oversee the ongoing trading of the business in order to collect payments in relation to the loans issued by the Company prior to my appointment. I have liaised with the Company's bankers to recover credit balances and ensure that facilities remain in place to allow collections to continue, and liaised with other payment processing providers to ensure that services remain live. I have continued staff consultation activities and made redundancies as the operations have scaled down. I have concluded a sale of part of the Company's Loan Book and I have also wound down the company's trading activities and dealt with the remaining loans that were not part of the loan book sale.

Trading

As previously advised, the Company's staff were split broadly into the following categories – Audit & Compliance, Data Science, Engineering, Finance, Management, Marketing, Operations, People, Product and Risk. As previously reported I retained 19 members of staff to assist me with ongoing trading operations.

As well as the essential functions of collections and compliance, individuals were retained in the following departments:

- Management – the director and COO were retained to assist in coordinating the available resource (who were all working remotely), they also acted as a focal point for information requests, and they assisted in formulating a strategy regarding the disposal of assets;
- Data Science and Product – a low number of employees were retained to assist potential purchasers with due diligence in relation to the technology assets and to assist in transferring the assets in an eventual sale;
- Finance – staff were retained to assist in communicating with essential suppliers, provide support in terms of payroll and other liabilities and to bring the management accounts up to date.

As well as the employees, two subcontractors were retained, one who worked part time and assisted with management accounts and other finance functions, and the other managed the IT infrastructure of the business which was deemed to be an essential function as the business processes are highly automated and IT based.

As trading has continued, the company's collections and complaints have reduced, and it has also become clear that certain technological assets won't be sold, as explained further below. This has led to a reduced need for resource, and further redundancies have been made and some

employees have resigned. This currently leaves a small team of two employees and one sub-contractor to assist in carrying out the essential functions of the business. In addition, a small number of former employees have been retained occasionally for ad hoc work on a contractor basis, where that has been the most cost effective way of completing a task.

The key focus of continued trading was to ensure that the Company could continue to collect the outstanding loans, customers continued to be dealt with fairly and that complaints were dealt with in a timely and transparent way. Collections to date total £865,851.51 which are reflected on the Receipts and Payments account as Book Debts and surplus Cash at Bank above what was held at the date of the Administration.

The table below summarises the trading position up to 23 February 2023 including a summary of the reporting period.

	Receipts/Payments during the reporting period £	Total Receipts / Payments since my appointment £
Collections	421,064.04	1,286,915.55
Employee costs (wages, Tax and NI and Pension costs)	(68,581.39)	(266,756.54)
Suppliers – paid through Soldo card	(14,400.00)	(22,570.02)
Suppliers – paid direct	(73,924.25)	(148,122.16)
Subcontractors	(75,467.50)	(143,629.75)
Customer Refunds	(7,264.56)	(19,691.18)
	181,426.34	686,145.90

A number of key suppliers had arrears which had built up and various discussions were held to explain that any liabilities up to the date of Administration would constitute unsecured claims whereas ongoing charges authorised by the Administrators would be paid as an expense. These discussions have been productive and there have been no 'ransom payments' required in order to maintain service.

Routine Work

There is certain work that I am required by the insolvency legislation to undertake in connection with the Administration that provides no financial benefit for the creditors. A description of the 1 routine work undertaken since my last progress report is contained in Appendix 1.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 24 August 2022 to 23 February 2023 is attached at Appendix 2. This includes a summary of all receipts and payments since the commencement of the Administration.

The balance of funds are held in an interest bearing estate bank account.

ASSETS

Computer Software

As previously advised, the Company invested considerable time and resource in developing the technological aspects of its business. Their loan origination, underwriting and servicing

platform is fully digital and app-based with high levels of automation. These assets were shown in the Company's management accounts for February 2022 with a net book value of £1,039,032.

Specialist valuation agents Hilco Global were engaged to undertake a marketing exercise in relation to these assets alongside their efforts to market and sell the loan book. A valuation was not undertaken as it would be highly speculative given the specialist nature of the assets. The strategy was focussed on broadcasting the opportunity as widely as possible and compiling detailed information about the technology with a view to generating a competitive bidding scenario which would lead to maximum recoveries.

Various parties expressed an interest in relation to the opportunity and we worked with our agents and the Company's management to assist with information requests and discussions. However, interest was focussed on the loan book and no offers were forthcoming in relation to the software assets. Accordingly these assets will be decommissioned now a sale of the loan book has been achieved and the Company is being wound down.

Computer Hardware

As previously reported, the Company's management accounts to February 2022 include a figure of £24,139 in relation to Computer Hardware. The only saleable items were laptops which the employees use at home to carry out their work.

Historically, when employees left the firm, the Company provided the employee with an opportunity to acquire their laptop for an amount based on its book value. In order to minimise costs of collection, we have sought to continue this arrangement and various laptops have been sold. I instructed a firm of agents SIA Group Asset Ingenuity Limited ("SIA") to assist in establishing that the values ascribed to the laptops by the Company were broadly in line with SIA's view of the values. It was anticipated that the laptops would have a combined value of £9,235. To date the sum of £2,635 has been realised in respect of laptops which have been sold to former employees of the Company of which £120 was received during the reporting period. This strategy has saved the cost of recovering and disposing of the assets to third parties. Additional laptops have been returned to the Company and others remain with the employees who have been retained during the trading period of the Administration.

Prior to selling any laptops, we have worked with the Company's IT resource to ensure that the laptops are wiped of any sensitive or personal information in order to comply with GDPR regulations.

Now that the collection process has wound down, the remaining laptops will be sold by SIA.

Book Debts

As you are aware, the most significant asset of the Company was the outstanding loan book, The Company stopped issuing new customer loans in September 2021, prior to the Administration.

At the date of our appointment, the value of the loan book in accordance with the Company's balance sheet (namely those loans which are less than 90 days overdue and not reflecting future interest to be applied), totalled some £1.8m due from over 2,000 customers. Since then, we have realised £1,286,915.55 of loan repayments of which £421,064.04 was received during the reporting period.

Hilco Valuation Services ("Hilco") were appointed to assist with a potential sale of the loan book and have undertaken a marketing and sales exercise. Various expressions of interest were made and, following due diligence, a number of formal offers were made in relation to an

acquisition of the loan book.

A preferred bidder for the debtor book was identified in May 2022 and, extensive further due diligence was carried out, negotiations took place in terms of the sale contract, and we liaised with the FCA during these discussions.

The proposed deal was structured in a way that was based on a valuation of the debts as at the start of June and there was a mechanism whereby the proposed sale consideration was adjusted and collections from the start of June were to be swept back to the purchaser. We were mindful that, as time passed, the value of the deal, from a creditor's perspective, diminished and therefore we sought to insert clauses which ensured that the deal would bring value to the creditors (compared to the likely outcome if no deal was done and all the collections were retained).

A deal was finalised in November 2022 on the basis that the purchaser would write off any interest and charges in relation to the acquired loans to simplify the prospect of addressing complaints in relation to the loan moving forward. The purchaser therefore acquired only loans with a positive 'floor balance', that being the amount of the principal amount of the loan less payments made against the loan.

These loans were identified and sold for £95,000. The capital balances acquired amounted to £1,073,875 across 3,536 loans, with historic interest of £1.8 Million written off and future interest of £124,317 waived. It should be noted that a number of these loans were defaulted and in the three months prior to the sale, collections in relation to the sold loans were less than £20,000 per month.

Remaining Ledger and Wind Down

Collections of the remaining ledger continued after the completion of the sale however it was clear that the monthly collection figures would begin to reduce more quickly. Collections in October 2022 amounted to around £74,000 and that fell to £49,000 in December and £39,000 in January. It has been necessary to maintain a significant level of IT infrastructure and staffing in order to allow collections to continue and complaints processes to be maintained. It was forecast that costs would begin to outweigh collections in February 2023 and therefore a wind down plan has been implemented to ensure that recoveries made to date are not unnecessarily eroded by future trading.

Customers were put on notice in early February that all remaining loans held by Oakam Limited would be written off on 22 February 2023. The notice period was intended to provide time for customers to stop standing orders and for the beneficiary bank accounts to be closed, which has saved a potentially onerous task of making many refunds to customers who made payments after 22 February 2023. Any attempted payments are now been returned automatically and therefore no further recoveries will be made in relation to the Company's loans.

Prepayments

As previously advised, the management accounts included prepayments amounting to £59,616. It is not anticipated that any refunds will be achievable in relation to these amounts.

Cash at Bank

The management accounts included a cash balance of £381,247. To date the sum of £892,852.15 has been received from the old company accounts which includes the balance at the date of appointment and additional loan receipts. Of this amount the sum of £191,935.13 was received during the reporting period.

Cash in transit - Worldpay

As previously reported, the management accounts included cash of £53,840 in respect of collections held at the time by Worldpay. Some of this money was released to the Company as loan receipts in the early days of the Administration. Since then, Worldpay have ended their service and a sum of money was retained for a period of 120 days to cover any chargebacks or other liabilities which may arise. This period has now expired and the sum of £32,887.78 has been transferred to the Administration account during the reporting period.

There will be no further realisations under this header, as the service ended early 2022.

Bank Interest Gross

The sum of £154.34 has been received in bank interest earned on funds held in the designated Administration account of which £139.60 was received during the reporting period.

LIABILITIES AND DIVIDEND PROSPECTS

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has granted the following charges:

Charge holder	Date Created	Particulars
Victory Park Management Llc	01/08/2019	Fixed and Floating Charge – covers all property or undertaking of the Company, contains negative pledge
Victory Park Management Llc	21/11/2017	Fixed and Floating Charge – covers all property or undertaking of the Company, contains negative pledge
W (no 3) GP (Nominee A) Limited and W (no 3) GP (Nominee B) Limited	26/03/2013	Rent deposit deed - £11,250
Tanco Properties Limited	18/02/2010	Rent deposit deed
Tote Bookmakers Limited	07/08/2008	Rent deposit deed - £15,000
Courtenay Investments Limited	30/05/2008	Rent deposit deed
Pricewaterhousecoopers LLP	11/03/2008	Rent deposit deed
Daljit Singh and Palo Singh	02/07/2007	Rent deposit deed
Glamour UK Limited	23/05/2007	Rent deposit deed

As previously advised, the Company undertook a restructuring process prior to our appointment whereby it exited its High Street premises. The various rent deposits were dealt with at that time, however, a number have not been registered as satisfied at Companies House.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors.

This is known as the “prescribed part of the net property.” A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £600,000.

The Company gave a fixed and floating charge to Victory Park Management, LIC ("VPM") on 29 November 2017 and the prescribed part provisions will apply. Gateley LLP were engaged to assist me with the routine task of advising me on the validity of the secured creditors charge, and also to confirm which assets are covered by the fixed aspect of the charge. At the date of Administration, it is understood that VPM were owed the sum of £2,035,759. The advice received from Gateley LLP indicates that the security held by VPM creates only a floating charge over the loan book which, as above, is the most significant asset. There will be no recoveries subject to VPM's fixed charge.

Funds subject to the floating charge will first be applied to the costs of the Administration and then to the preferential creditors. Any surplus will constitute the Net Property noted above. Based on known assets available, the Net Property is currently estimated to be nil, even with the successful sale of the loan book. Therefore there will not be a distribution in respect of the prescribed part.

Preferential Creditors

The only known ordinary preferential creditors are former employees of the Company for unpaid holiday pay and pension contributions. Their claims are subject to a maximum limit set by the insolvency legislation and are expected to amount to up to £30,823.60 in relation to accrued holiday and £215.26 in relation to unpaid pension contributions. To date I have received a preferential claim of £5,906.63 from the Redundancy Payments Service. There is a difference in the amount claimed because one of the employees who was owed the majority of the amount due has not submitted a claim in the Administration. I anticipate a further claim from the Redundancy Payments Service in due course.

HMRC are secondary preferential creditors for certain specified debts, such as VAT, PAYE, employee National Insurance Contributions, student loan deductions and Construction Industry Scheme deductions. Secondary preferential debts are payable after all ordinary preferential debts have been paid in full, and before non-preferential unsecured debts. These are expected to amount to £600,512 in the case of PAYE and other payroll taxes, and £210,284 in relation to VAT. I have not yet received a claim from HMRC.

It is likely that the first class of preferential claims will be paid in full once the remaining employees leave the business and their preferential claims are finalised. There will not be sufficient funds realised from the assets to allow the secondary class of preferential claims to be discharge in full, although it is likely that there will some funds available to pay a dividend.

Non-preferential unsecured Creditors

The Company's non-preferential creditors are believed to amount to £1,172,980.85 and can be summarised as follows:

Category	Amount owed, £
Trade and Expense	297,982.53
Inter company – Akrod Limited	221,314.00
HMRC – WHT	444,087.00
Customer re-dress claims	209,597.32
Total	1,172,980.85

To date I have received claims from 223 creditors at a total of £757,382.92.

There will not be any funds available to pay a dividend to unsecured creditors. As above, it is also unlikely that there will be any Prescribed Part available owing to the anticipated shortfall in respect of the preferential claims.

ADMINISTRATORS' REMUNERATION

My remuneration was approved on a time cost basis based on a fees estimate of £150,232.50. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors.

Time costs incurred for the administration are summarised below:

	No. of Hours	Average Hourly Rate (£)	Total Time (£)
Time recorded during the reporting period 24 August 2022 to 23 February 2023	228.90	270.80	61,985.50
Time recorded during the whole period 24 February 2022 to 23 February 2023	784.00	282.75	221,676.00

My total time costs to 23 February 2023 amount to £221,676, representing 784 hours work at a blended charge out rate of £282.75 per hour of which £61,985.50 was charged in the period since 24 August 2023, at a blended charge out rate of £270.80 per hour. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £260.59 in my fees estimate. There is a difference in the blended rate charged, compared with the estimated blended rate because there have been more matters which have arisen which have required more senior supervision.

I have drawn £150,232.50 to 23 February 2023 of which £29,532.50 was drawn in the reporting period.

The following is a schedule of my time costs incurred to date compared with my original fees estimate:

Category	Estimated Time Costs	Actual time costs to date
Administration	£55,365.00	£66,995.00
Asset Realisation	£25,977.50	£65,219.00
Investigations	£10,755.00	£3,194.00
Trading	£20,772.50	£41,087.00
Creditor Claims	£37,362.50	£29,316.50
Case Specific	£0.00	£15,864.50
Total	£150,232.50	£211,676.00

The case specific matters relate mainly to the handling of re-dress claims which, when added to the general Creditors category, is in line with the initial estimate. The majority of additional time relates to the Asset and Trading categories and this is because the process of selling the assets and maintaining collections in the meantime has been more time consuming than originally anticipated.

As you can see, I have already incurred time costs in excess of my fees estimate previously provided. I have written to the secured and preferential creditors requesting approval to an

increased fees estimate to £238,020.00, being 836.90 hours at an average blended charge out rate of £284.41. The decision date for this decision is 17 March 2023.

There remains future work for me to carry out to allow the Administration to progress. I will be dealing with any residual complaints and ultimately I will apply to the FCA to cancel the Company's permissions. Once the matter of the Joint Administrators' remuneration has been resolved, I will be paying a dividend to preferential creditors before taking formal steps to conclude the Administration, I will also be required to issue further progress reports, followed by a final report.

I consider that this is a very complex case and consider that after taking into account the nature and value of the assets involved, and the change in circumstances that have occurred since fee approval was obtained, this demonstrates why the increase in the fee estimate requested is expected to produce a fair and reasonable reflection of the work that I anticipate will be necessarily and properly undertaken on the case.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Administrators' Fees' also published by R3, together with an explanatory note which shows Kreston Reeves LLP's fee policy are available at the link <https://www.krestonreeves.com/creditor-information>. Please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2017 version.

ADMINISTRATORS' EXPENSES

I summarise below the disbursements that have been paid by my firm:

	Incurred in the reporting period £	Incurred in the entire period £
Specific Bond	0.00	1,000.00
Total	0.00	1,000.00

I have drawn these costs in full during the reporting period.

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Fee Arrangement
Hilco Global LLP	Valuer/Auctioneer	Fixed fee £5,000 plus 20% of recoveries
Gateleys	Solicitors	Time Costs

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case.

Hilco Global LLP

Hilco Global were engaged to conduct an accelerated marketing and sale process in relation to the loan book, intellectual property and technology assets. Hilco have compiled a list of around 700 potential interested parties based on their experience and input from the Company's management and issued an initial teaser document to them to describe the opportunity. Hilco also compiled information to populate a data room to assist with due diligence. Various parties expressed an interest and completed a non-disclosure agreement and, discussions were held with management to assist the parties in formalising a bid. During the reporting period they have continued to liaise with interested parties and concluded a sale of the loan book.

The sum of £24,350 was paid to Hilco Global LLP of which £19,000, being the commission element of their fee, was paid during the reporting period. I do not anticipate any further fees under this heading.

Gateleys

As detailed previously, solicitors Gateley LLP were engaged on a time costs basis to assist on various matters in relation to the Administration including:

- Assistance in relation to employee Consultation and redundancy selection;
- Assistance with communications with key suppliers where continued supply is necessary;
- Assistance with analysis of complaints from customers;
- Advice in relation to communications with the FCA;
- Advice in relation to the nature of the secured creditor's security.

I have paid Gateley the sum of £56,684.60 of which £19,234.60 was paid during the reporting period.

The following expenses have been incurred and paid from funds held in the Administration account:

Nature of expense	Estimated expenses at outset, £	Expenses incurred during reporting period, £	Expenses incurred in total to date, £
Sircles	1,500.00	-	900.00
Agents Fees – Hilton Baird	-	-	3,750.00
Agents/Valuers Fee – Hilco Global LLP	5,350.00	19,000.00	24,350.00
Agents/Valuers Fee – SIA Group	-	-	450.00
Legal Fees	30,000.00	19,234.60	56,684.60
Storage Costs	-	6,274.74	9,598.86
Statutory Advertising	112.92	-	94.10
Insurance of Assets	500.00	403.09	1,503.29
Bank Charges	-	76.00	152.00
Corporation Tax	1,000.00	-	-
Specific Penalty Bond	1,250.00	1,000.00	1,000.00
Total	39,712.92	45,988.43	98,482.85

As at 23 February 2023, as you can see from the information provided in this report, the expenses I have incurred in this matter have exceeded the total expenses I estimated I would incur when my remuneration was authorised by the preferential and secured creditors. The reasons I have exceeded the expenses estimate are that additional legal fees have been incurred where the sale of the loan book has become more complex than originally anticipated. In addition, significant storage costs have been incurred in relation to a large volume of records retained by the company.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Administrator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Kreston Reeves LLP can be found at <https://www.krestonreeves.com/creditor-information>.

SUMMARY

The Administration will remain open until the following matters have been finalised:

- All trading operations have been wound down and the associated costs settled;
- Cancellation of FCA related permission;
- Payment of preferential and secondary preferential creditor dividends.

I estimate that this will take approximately 6 months.

If creditors have any queries regarding the conduct of the Administration, or if they want hard copies of any of the documents made available on-line, they should contact Rob Sage by email at Rob.Sage@krestonreeves.com, or by phone on 01634 899828.



Andrew Tate
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Andrew Tate and James Hopkirk. The Joint Administrators act as agents of the Company and contract without personal liability.

Andrew Tate is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants in England and Wales
James Hopkirk is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants in England and Wales

Appendix 1

1. Administration

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Dealing with all routine correspondence and emails relating to the case.
- Maintaining and managing the office holder's estate bank account.
- Maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing 6 monthly progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.

2. Creditors

Claims of creditors - the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.

Oakam Ltd
(In Administration)
Joint Administrators' Summary of Receipts and Payments

RECEIPTS	Statement of Affairs (£)	From 24/02/2022 To 23/08/2022 (£)	From 24/08/2022 To 23/02/2023 (£)	Total (£)
Computer Software	Uncertain	0.00	0.00	0.00
Office Equipment	NIL	0.00	0.00	0.00
Computer Hardware	9,235.00	2,515.00	120.00	2,635.00
Book Debts	Uncertain	546,181.49	229,128.91	775,310.40
Prepayments	NIL	0.00	0.00	0.00
Cash at Bank	381,247.00	700,917.02	191,935.13	892,852.15
Cash in transit - Worldpay	53,840.00	0.00	32,887.78	32,887.78
Solicitor Refund		600.00	0.00	600.00
Bank Interest Gross		14.74	139.60	154.34
Verifone UK Limited Refund		3,240.40	0.00	3,240.40
Sale of Debtor Book		0.00	95,000.00	95,000.00
		1,253,468.65	549,211.42	1,802,680.07
PAYMENTS				
Sub Contractors		0.00	160.00	160.00
Customer Refund		12,426.62	7,264.56	19,691.18
Funds with Soldo		19,700.00	14,400.00	34,100.00
Funds relating to assigned loans		0.00	22,570.02	22,570.02
Sundry Expenses		74,197.91	73,924.25	148,122.16
PAYE/NI		45,235.79	16,378.91	61,614.70
Wages		129,758.17	46,435.32	176,193.49
Sub Contractor Payments		68,322.25	75,307.50	143,629.75
Standard Life - Pension Contributions		23,181.19	5,767.16	28,948.35
Joint Administrators Pre Appt Fees		11,647.50	0.00	11,647.50
Joint Administrators Post Appt Fees		120,700.00	29,532.50	150,232.50
Joint Administrators Post Appt Disb		0.00	1,000.00	1,000.00
Sircles		900.00	0.00	900.00
Agents Fees - Hilton Baird		3,750.00	0.00	3,750.00
Agents/Valuers Fees - Hilco Global		5,350.00	19,000.00	24,350.00
Agents/Valuers Fees - SIA Group		450.00	0.00	450.00
Post Appointment - Legal Fees		37,450.00	19,234.60	56,684.60
Pre-Appointment - Legal Fees		26,159.20	0.00	26,159.20
Pre Appointment - Legal Disbursements		84.00	0.00	84.00
Storage Costs		3,324.12	6,274.74	9,598.86
Statutory Advertising		94.10	0.00	94.10
Insurance of Assets		1,100.20	403.09	1,503.29
Bank Charges		76.00	76.00	152.00
Employee Arrears/Hol Pay	(30,824.00)	0.00	0.00	0.00
Pension - Employee Contributions	(215.00)	0.00	0.00	0.00
HMRC - PAYE	(600,512.00)	0.00	0.00	0.00
HMRC - VAT	(210,284.00)	0.00	0.00	0.00
VPC	(2,035,759.00)	0.00	0.00	0.00
Trade & Expense Creditors	(297,982.53)	0.00	0.00	0.00
Akrod Ltd	(221,314.00)	0.00	0.00	0.00
HM Revenue & Customs (WHT)	(444,087.00)	0.00	0.00	0.00
Consumer creditors R1	(81,195.79)	0.00	0.00	0.00
Consumer Creditors R2	(74,813.24)	0.00	0.00	0.00
Consumer Creditors R3	(53,588.29)	0.00	0.00	0.00
Ordinary Shareholders	(100.00)	0.00	0.00	0.00
		583,907.05	337,728.65	921,635.70
Net Receipts/(Payments)		669,561.60	211,482.77	881,044.37

Oakam Ltd
(In Administration)
Joint Administrators' Summary of Receipts and Payments

MADE UP AS FOLLOWS

Bank 1 Current	612,391.06	241,739.95	854,131.01
VAT Receivable / (Payable)	57,170.54	(30,257.18)	26,913.36
	<hr/>	<hr/>	<hr/>
	669,561.60	211,482.77	881,044.37
	<hr/>	<hr/>	<hr/>

40043767 OAKAM LTD**Matter: Post Appointment Work****Analysis of ' time costs for the period 24/08/2022 to 23/02/2023**

Classification of Work Function	Hours					Total Hours	Time Cost	Av hourly Rate
	Partner	Manager	Senior	Assistant Administrator	Support			
Administration and Planning							£	£
Partner Review	0.70					0.70	364.00	520.00
Liason with Company Officers		2.00				2.00	702.50	351.25
Pension Matters		0.80			2.00	2.80	510.00	182.14
Maintenance of records		0.40	1.00		0.80	2.20	469.00	213.18
Statutory Reporting		5.70	13.00		0.50	19.20	5,135.50	267.47
Case Planning		7.90			12.20	20.10	4,604.00	229.05
Cashiering		0.40	65.40		17.60	83.40	14,649.00	175.65
Investigations								
Books and Records		0.10				0.10	40.00	400.00
Inv Antecedent Transactions		0.30				0.30	120.00	400.00
Realisation of Assets								
Property Bus and Asset Sales		1.60				1.60	576.00	360.00
Debt Collection		29.10	0.20			29.30	11,649.00	397.58
Identify Secure Insure Assets		8.30				8.30	3,280.00	395.18
Legal Matters		4.60				4.60	1,840.00	400.00
Trading								
On going employee issues		16.60			1.20	17.80	6,749.00	379.16
Management of Operations		7.50			0.90	8.40	3,104.50	369.58
Accounting for Trading		2.40				2.40	960.00	400.00
Creditors								
Communications with Creditor		9.20	5.40		3.30	17.90	5,303.50	296.28
Creditors Claims		3.50			4.30	7.80	1,929.50	247.37
Total Hours	0.70	100.40	85.00		42.80	228.90		270.80
Total Fees Claimed (£)	364.00	39,630.50	16,652.00		5,339.00		61,985.50	

40043767 OAKAM LTD**Matter: Post Appointment Work****Analysis of ' time costs for the period 24/02/2022 to 23/02/2023**

Classification of Work Function	Hours					Total Hours	Time Cost	Av hourly Rate
	Partner	Manager	Senior	Assistant Administrator	Support			
Administration and Planning							£	£
Liason with Company Officers	4.40	7.10	0.30			11.80	4,668.00	395.59
Appointment notification	3.00	1.50	7.90		0.30	12.70	3,604.00	283.78
Partner Review	1.00					1.00	505.00	505.00
Statutory Reporting	1.00	20.70	16.30		3.00	41.00	11,941.50	291.26
Case Planning		28.40	1.70		14.30	44.40	12,216.50	275.15
Pension Matters		0.90	1.40		4.60	6.90	1,132.00	164.06
Maintenance of records		1.20	2.60		4.50	8.30	1,458.50	175.72
Cashiering		0.80	140.30		40.80	181.90	30,694.50	168.74
Administrative set up			3.50		0.50	4.00	775.00	193.75
Investigations								
CDDA Reports		1.20	1.80			3.00	801.00	267.00
SIP 2 Review		0.40	7.50			7.90	1,681.50	212.85
Books and Records		1.60			0.10	1.70	591.50	347.94
Inv Antecedent Transactions		0.30				0.30	120.00	400.00
Realisation of Assets								
Legal Matters	8.70	18.00				26.70	10,753.00	402.73
Property Bus and Asset Sales	13.70	49.30				63.00	19,899.50	315.87
Identify Secure Insure Assets	4.10	46.90	1.70			52.70	19,451.50	369.10
Debt Collection	5.00	32.20	0.20			37.40	15,115.00	404.14
Trading								
Management of Operations		32.40	1.40		0.90	34.70	12,355.50	356.07
On going employee issues		51.20			15.90	67.10	20,895.50	311.41
Accounting for Trading		21.50				21.50	7,836.00	364.47
Creditors								
Creditors Claims	1.00	13.70	14.50		16.50	45.70	10,405.00	227.68
Communications with Creditor	3.00	32.70	19.40		11.80	66.90	18,911.50	282.68
Case Specific Matters								
Case specific 1	20.30	3.80	7.70		2.40	34.20	11,611.50	339.52
Case specific 1	9.00				0.20	9.20	4,253.00	462.28
Total Hours	74.20	365.80	228.20		115.80	784.00		282.75
Total Fees Claimed (£)	34,807.00	130,198.0	42,952.50		13,718.50		221,676.00	

PRACTICE FEE RECOVERY POLICY FOR KRESTON REEVES LLP

RESTRUCTURING AND RECOVERY

INTRODUCTION

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at <http://www.krestonreeves.com/creditor-information>. Alternatively a hard copy may be requested from my office. Please note that we have provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

TIME COSTS BASIS

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Charge out rates listed by staff classification effective from 01 June 2021

Staff Grade	Rate (per hour)
Partner	£470
Manager/Senior Manager	£295 - £360
Senior	£205
Assistant Administrator	£175
Support	£115

Where necessary and appropriate, members of staff from other departments of the practice will undertake work on a case. They will be charged at their normal charge out rate for undertaking such work.

These charge-out rates charged are reviewed in June each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Administration and Planning
- Investigations
- Realisation of Assets
- Creditors
- Trading
- Case specific matters

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and on new appointments we will seek time costs for the following categories:

- Administration and Planning
- Investigations
- Realisation of Assets
- Creditors

- Trading
- Case specific matters

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or “blended” rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken, or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

PERCENTAGE BASIS

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation.

The legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

FIXED FEE

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation.

The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

MEMBERS' VOLUNTARY LIQUIDATIONS AND VOLUNTARY ARRANGEMENTS

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

ALL BASES

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

AGENT'S COSTS

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

DISBURSEMENTS

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Kreston Reeves LLP; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

Kreston Reeves LLP will not be seeking to recover Category 2 disbursements in this case.