

AM10

Notice of administrator's progress report



Companies House

SATURDAY



A75CSX5T

A32

05/05/2018

#37

COMPANIES HOUSE

1 Company details

Company number 0 6 7 3 6 5 5 3

Company name in full CFO Lending Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Paul

Surname Boyle

3 Administrator's address

Building name/number 102 Sunlight House

Street Quay Street

Post town Manchester

County/Region

Postcode M 3 3 J Z

Country

4 Administrator's name ①

Full forename(s) David

Surname Clements

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 102 Sunlight House

Street Quay Street

Post town Manchester

County/Region

Postcode M 3 3 J Z

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	0	d	6	m	1	m	0	y	2	y	0	y	1	y	7
To date	d	0	d	5	m	0	m	4	y	2	y	0	y	1	y	8

7 Progress report

☐ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	d	3	d	0	m	0	m	4	y	2	y	0	y	1	y	8
----------------	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

**CFO Lending Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 06/10/2017 To 05/04/2018 £	From 06/04/2017 To 05/04/2018 £
ASSET REALISATIONS		
Payday Loan Book Sale	NIL	260,000.00
Client Debtors - Guarantor Loans	32,527.89	32,527.89
Client Debtors - Bank Payments	NIL	63,152.93
Client Debtors - Secure Trading	772.25	14,938.66
Motormile Returned Payments	NIL	1,856.41
Cash at Bank	NIL	13,436.01
Bank Interest Gross	77.77	136.00
	<u>33,377.91</u>	<u>386,047.90</u>
COST OF REALISATIONS		
Post Sale Motormile Funds	NIL	21,224.72
Cat 1 Bordereau Bonding	NIL	205.00
Agreed Pre Appointment Time Costs	NIL	90,107.50
Administrators' Fees	75,000.00	84,892.50
Cat 1 I.T Costs	12,341.33	13,976.22
Cat 1 Phone Costs	NIL	2,612.15
Cat 1 Business Rates	NIL	894.71
Cat 1 Payment Processing	51.00	131.99
Cat 1 Call Handling Services	NIL	10,000.00
Cat 1 Agents/Valuers Fees	NIL	20,172.00
Cat 1 Storage Costs	107.42	1,404.87
Cat 1 Debt Collection Fees	2,016.82	2,016.82
Cat 1 Travel Expenses	NIL	5,809.56
Cat 1 Equifinance Staff Recharge Cost	NIL	1,142.47
Cat 1 Aitch Staff Due Diligence Recharge	NIL	7,286.40
Cat 1 Printing, Postage & Stationery	159.11	481.20
Cat 2 Travel Expenses	859.04	960.44
Cat 2 Storage Costs	387.00	389.00
Cat 1 Utilities	154.33	873.62
Cat 1 Advertising	NIL	81.59
Cat 1 Rent Payable	NIL	766.83
Cat 1 Service Charge Payable	NIL	950.11
Post Appointment Customer Overpay	NIL	1,391.78
Cat 1 Media Management	NIL	5,000.00
Cat 1 Wages & Salaries	NIL	10,644.65
Cat 1 PAYE & NI	NIL	2,001.94
Cat 1 Pension & Student Loan Contributions	NIL	97.56
Cat 2 Printing, Postage & Stationery	436.04	436.04
Irrecoverable VAT	40,166.35	48,411.08
	<u>(131,678.44)</u>	<u>(334,362.75)</u>
	(98,300.53)	51,685.15
REPRESENTED BY		
Bank 1 Current - IB		51,685.15
		51,685.15

Note:

Joint Administrators' Progress Report

**CFO Lending Limited
- In Administration**

5 April 2018

CFO LENDING LIMITED - IN ADMINISTRATION

CONTENTS

- 1** Introduction
- 2** Progress of the Administration
- 3** Joint Administrators Remuneration
- 4** Estimated Outcome for Creditors
- 5** Ending the Administration
- 6** Creditors' Rights
- 7** Next Report

APPENDICES

- A** Receipts and Payments Account from 6 October 2017 to 5 April 2018
- B** Cumulative Receipts and Payments Account for Period from 6 April 2017 to 5 April 2018
- C** Time Analysis for the period 6 October 2017 to 5 April 2018
- D** Cumulative Time Analysis for the Period from 6 April 2017 to 5 April 2018
- E** Additional Information in Relation to the Joint Administrators Fees, Expenses & Disbursements

CFO LENDING LIMITED - IN ADMINISTRATION

THE ADMINISTRATOR'S PROGRESS REPORT

1 Introduction

- 1.1 I, together with my partner David Clements, was appointed Joint Administrator of CFO Lending Limited (the **Company**) on 6 April 2017. The appointment was made by the Director, Antony Marshall ('AM').
- 1.2 This Administration is being handled by Harrisons Business Recovery and Insolvency Limited at 102 Sunlight House, Quay Street, Manchester, M3 3JZ. The Administrators' contact details are by phone on 0161 876 4567 or via email at manchester@harrisons.uk.com. The Administration is registered in the High Court of Justice, Chancery Division, Leeds District Registry, reference number 335 of 2017.
- 1.3 The trading address of the Company is First Floor, Kirkdale House, Kirkdale Road, Leytonstone, London, E11 1HP. The business also trades under the names Payday First, Flexible First, Money Resolve, Paycfo, Payday Advance and Payday Credit.
- 1.4 The registered office of the Company is 102 Sunlight House, Quay Street, Manchester, M3 3JZ and its registered number 06736553.
- 1.5 As Joint Administrator, I am required to provide a progress report covering the period of six months commencing from the date the Company entered Administration and every subsequent period of six months. This progress report covers the period from 6 October 2017 to 5 April 2018 (**the Period**) and should be read in conjunction with my earlier proposals report and any previous progress reports which have been issued. The Administration was recently extended for a further 12 months with the consent of the secured creditor, the automatic end date for the Administration is now 5 April 2019.

2 Progress of the Administration

- 2.1 You may recall that the statutory objective being pursued in the Administration was to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration). In addition to the pursuance of this statutory objective, the Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.
- 2.2 This section of the report provides creditors with an update on the progress made in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Administrators under other related legislation.
- 2.3 At Appendix A is my Receipts and Payments Account covering the period of this report. Attached at Appendix B is a cumulative Receipts and Payments Account from the date of my appointment as Joint Administrator to 5 April 2018.
- 2.4 Attached at Appendix C is a time analysis outlining the time spent by the Administrators and their staff during the Period together with a cumulative time analysis covering the period since my appointment at Appendix D.
- 2.5 Further information about the basis of remuneration agreed in this case and the Administrators' fees estimate can be found in section 3 of this report, together with any relevant information about revisions to my initial estimate, where applicable.

The majority of time incurred in the period is classified on the SIP9 as 'Realisation of Assets' amounting to approximately £75,000 worth of time costs. This predominately relates to time

CFO LENDING LIMITED - IN ADMINISTRATION

spent attempting to realise the guarantor loan book at detailed at 2.13. The time costs incurred in this category to date are significantly greater than anticipated in the initial fee estimate. This is due to the guarantor loan book collections being brought in-house following lengthy discussions with the Financial Conduct Authority (FCA) and our legal advisers. Instead of the original strategy of using an SRA regulated firm of solicitors to undertake collection procedures on behalf of the Administrators, the costs of which were capped at 20% of realisations, the loan collections are now being charged on a time cost basis at the prevailing rate.

In addition, time costs in the region of £31,000 have been incurred during the period dealing with a substantial amount of client calls and emails which the Administrators are receiving. Creditors/client creditors are reminded that reports and updates have been placed on the Administrator's website in order to attempt to reduce the volume of calls and correspondence received by the Administrators and therefore the associated costs of the proceedings.

Administration (including statutory compliance & reporting)

- 2.6 As noted above, the Administrators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work that I anticipated would need to be done in this area was outlined in my initial fees estimate/information.
- 2.7 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Administrators.
- 2.8 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Trading

- 2.9 Following my appointment, steps were taken to immediately assess whether it would be feasible for the Administrators to continue trading the business whilst a buyer for all or part of the Company's business was sought. Appropriate trading budgets and forecasts were prepared and I liaised with suppliers to determine whether support for continued trading in the short-term could be secured as well as establishing whether sufficient funding was available to facilitate this.
- 2.10 I also managed employee issues and where necessary, commenced a consultation process with all employees with reference to their continued employment and potential sale of the business.
- 2.11 I concluded that it would be feasible to continue to trade for a short period of time, whilst various options in relation to the disposal of the Company's assets were explored. I would confirm that the Company's business was traded for 6 weeks until an assignment of the payday loan book was agreed on the 19 May 2017 as detailed below.

Realisation of Assets

- 2.12 Payday Loan Book

Following a period of marketing and a full sales process which is detailed fully in the Administrators' proposals, the Payday loan book of the Company was assigned to Motormile Finance UK Limited (Motormile) for £260,000 on 19 May 2017. Motormile have recently changed their name to Lantern Debt Recovery Services Limited and are trading as Lantern.

As per the terms of the deed of assignment the Administrators agreed to keep the Company's bank account open for a period of 3 months to assist Motormile whilst it contacted the clients

CFO LENDING LIMITED - IN ADMINISTRATION

who still owed funds so they could amend their payment details accordingly. The bank account was subsequently closed on the 13 September 2017 following the expiry of this period.

The final tranche of funds received into the Company's bank account which related to payday loan accounts were transferred to Motormile shortly after the closure of the account. The total amount remitted to Motormile in respect of payday loan accounts is £21,224,72.

2.13 Guarantor Loan Book

As detailed in my previous report, Bouchers with Allansons (Bouchers), an SRA regulated firm of solicitors were initially engaged as the Administrator's agents to collect the outstanding amounts due to the Company in respect of the guarantor loans. However, upon receipt of the Administrators Proposals report the FCA instructed the Joint Administrators to cease their engagement with Bouchers.

The Administrators have since commenced in-house collections and attempts have been made to contact all debtors in an effort to agree an affordable repayment plan. At the date of appointment £426,000 was owing from 427 client debtors. During the Period, £22,443.79 has been received as a result of the Administrators' in-house collections. Additionally, the funds Bouchers collected prior to being disengaged in the sum of £10,084.10 have also been received.

Notwithstanding that the majority of guarantor loans should have been repaid in full prior to the Administrators appointment and following the review undertaken by Grant Thornton prior to the Company entering Administration which resulted in the majority of interest charges (if not all) being removed, the Administrators have experienced significant difficulty in obtaining payment.

The Administrators continue in their attempts to contact the guarantor loan debtors. Default notices and where appropriate statutory demands have been issued to both debtor and guarantor. These measures will be enforced if the Administrators are unable to come to an affordable repayment plan with the debtor and/or the guarantor.

2.14 Office Furniture

Upon the advice of our agents, the office furniture at the Company's trading premises was abandoned as the costs of removal and sale outweighed any potential benefit to the administration estate.

2.15 Cash at Bank

Upon appointment £13,436.01 was held in the Company's account at Barclays Bank Plc. This amount was requested and received into the Administration estate on 5 May 2017.

2.16 Associated Company Loan

The records of the Company show an amount of £338,818 owing from an associated company.

As detailed in my last report, the associated company in question has provided a number of documents in respect of the alleged debt owing to the Company. They have in addition disputed a number of items included on the account ledger. The documents provided allege that a settlement agreement has already been entered into in respect of the amount owing. Additionally, the associated company has claimed that the Company was holding a substantial amount of money on its behalf thus reducing any amount owing significantly.

The Administrators continue to investigate and review the information and will take legal advice accordingly in respect of their position and merits of any recovery action if deemed appropriate.

CFO LENDING LIMITED - IN ADMINISTRATION

2.17 Former Director/Staff Loan Accounts

The records of the Company show amounts of approximately £233,804 owing from a former Company director and £15,000 owing from a former staff member.

Dispute numerous back and forth correspondence including detailed breakdowns of the debt, the former director has continued to dispute the amount owing. Additionally, he has failed to provide adequate documents in support of his arguments. It currently does not appear likely that an agreement will be reached in the near future and as such, it is likely that following further legal advice, steps will be taken to enforce the debt.

As previously reported the only details provided for the former employee was an address in Spain. To date, the Administrators have failed to establish contact. In the absence of further contact information realisations in this respect are currently uncertain.

2.18 It is not considered that the work the Administrators and their staff have undertaken to date will bring a financial benefit to creditors. However, subject to the outcome of the various ongoing matters described above, this may change.

Creditors (claims and distributions)

2.19 Further information on the anticipated outcome for creditors in this case can be found at section 4 of this report. The Administrators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.

2.20 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.

2.21 The above work will not necessarily bring any financial benefit to creditors generally, however the Administrators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Administrators in dealing with those claims.

Investigations

2.22 You may recall from my first progress report to creditors that some of the work the Administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that can be pursued for the benefit of creditors.**

2.23 My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first period of the Administration and is confidential.

2.24 Since my last progress report I would advise that no further asset realisations have come to light that may be pursued by me for the benefit of creditors.

2.25 I reported previously that the Company had operated historic tax schemes which may fall under the anti-avoidance measures. I can confirm that enquires have been made with various parties including the individuals involved, the Company's accountants and the trustees of the scheme. Unfortunately I have been advised that the Company's main tax advisor at the time of the

CFO LENDING LIMITED - IN ADMINISTRATION

schemes entered liquidation in February 2015. Using the information provided to date by the stakeholders in the matter I continue to assess the relevant individuals liability to the Company and will provide an update on my enquiries in my next report.

3 Joint Administrators' Remuneration

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

3.2 A copy of that estimate is reproduced below:

Category of Work	Estimated Time (Hours)	Average Hourly Charge Rate	Estimated Fees
Administration (Incl Statutory compliance & Reporting)	240.60	330.36	79,485.00
Investigations	15.50	327.42	5,075.00
Realisation of Assets	248.00	274.60	68,100.00
Trading	60.50	428.51	25,925.00
Creditors (Claims & Distributions)	53.00	321.70	17,050.00
Case Specific	13,281.50	250.54	3,327,575.00
Total Estimated Fees	13,899.10	253.48	3,523,210.00

3.3 My time costs for the Period are £136,285.50. This represents 665.80 hours at an average rate of £204.69 per hour. Attached at Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent in managing the Administration.

3.4 Also attached at Appendix D is a cumulative Time Analysis for the period from 6 April 2017 to 5 April 2018 which provides details of my time costs since my appointment. The cumulative time costs incurred to date are £397,471.00 and this represents 1,618.70 hours at an average rate of £245.55 per hour.

3.5 To date, post appointment fees of £84,892.50 have been drawn.

3.6 Disbursements/expenses of £25,539.73 have been incurred and paid by Harrisons directly. Of this figure, Harrisons have been reimbursed £25,465.81 from the case account. A detailed breakdown of expenses both paid and outstanding is included at Appendix E.

3.7 At the date of this report, I would confirm that my fees estimate for the Administration remains unchanged. I would however comment that for the reasons as stated at 2.5 the costs incurred in relation to realising the assets of the Company are substantially higher than anticipated. Additionally, it is not anticipated that the case specific costs which primarily relate to client creditors dealing and correspondence will be at high as originally estimated. It is thought the costs in this respect will be in the region of £200,000. As such and despite the significant

CFO LENDING LIMITED - IN ADMINISTRATION

increase in a number of work categories I don't consider the overall fee estimate/cap will need to be amended and therefore remains unchanged.

- 3.8 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from <http://harrisons.uk.com/creditors-guide-to-fees/>.
- 3.9 Attached at Appendix E is additional information in relation to the Administrators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

4 Estimated Outcome for Creditors

Secured Creditors

- 4.1 Aitch Estates Limited holds debentures over the Company's assets dated 20 February 2012 and 28 March 2012. At the date of the Administration, the indebtedness to the secured creditor was estimated at £6,047,711.54.

Preferential Creditors

- 4.2 A summary of preferential claims is detailed below.

Preferential claim	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1
Secretary of State	1,582.78	4,000.00	0.00

- 4.3 There is not expected to be a distribution to preferential creditors.

Unsecured Creditors

- 4.4 I have received claims totalling £91,631.43 from 28 creditors. I have yet to receive claims from 26,399 creditors whose debts total £3,639,329.67 as per the Company's statement of affairs. However, it should be noted that 25,999 of these creditors are owed less than £1,000 and as such are not required to submit a formal claim in order to rank for dividend purposes.
- 4.5 The Company granted floating charges to Aitch Estates Limited on 20 February 2012 and 28 March 2012. Accordingly, I am required to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**).
- 4.6 Based on present information, it is anticipated that there will be no net floating charge property and as such no prescribed part/dividend to unsecured creditors.

5 Ending the Administration

- 5.1 As outlined earlier in this report, the Administration has recently been extended by a further 12 months following creditor consent. It is not yet known whether a further extension will be required, this will be dependent on the assets which are still to be realised at that time.
- 5.2 As there is no prospect of a dividend to unsecured creditors, it is likely that the Administration will end with the Company entering dissolution.
- 5.3 The Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect.

CFO LENDING LIMITED - IN ADMINISTRATION

6 Creditors' Rights

- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrators, as set out in this progress report, are excessive.

7 Next Report

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

For and on behalf of
CFO Lending Limited



Paul Boyle
Joint Administrator

CFO LENDING LIMITED - IN ADMINISTRATION

Appendix A

Receipts and Payments Account from 6 October 2017 to 5 April 2018

CFO Lending Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 06/10/2017 To 05/04/2018 £	From 06/04/2017 To 05/04/2018 £
ASSET REALISATIONS		
Payday Loan Book Sale	NIL	260,000.00
Client Debtors - Guarantor Loans	32,527.89	32,527.89
Client Debtors - Bank Payments	NIL	63,152.93
Client Debtors - Secure Trading	772.25	14,938.66
Motormile Returned Payments	NIL	1,856.41
Cash at Bank	NIL	13,436.01
Bank Interest Gross	77.77	136.00
	<u>33,377.91</u>	<u>386,047.90</u>
COST OF REALISATIONS		
Post Sale Motormile Funds	NIL	21,224.72
Cat 1 Bordereau Bonding	NIL	205.00
Agreed Pre Appointment Time Costs	NIL	90,107.50
Administrators' Fees	75,000.00	84,892.50
Cat 1 I.T Costs	12,341.33	13,976.22
Cat 1 Phone Costs	NIL	2,612.15
Cat 1 Business Rates	NIL	894.71
Cat 1 Payment Processing	51.00	131.99
Cat 1 Call Handling Services	NIL	10,000.00
Cat 1 Agents/Valuers Fees	NIL	20,172.00
Cat 1 Storage Costs	107.42	1,404.87
Cat 1 Debt Collection Fees	2,016.82	2,016.82
Cat 1 Travel Expenses	NIL	5,809.56
Cat 1 Equifinance Staff Recharge Cost	NIL	1,142.47
Cat 1 Aitch Staff Due Diligence Recharge	NIL	7,286.40
Cat 1 Printing, Postage & Stationery	159.11	481.20
Cat 2 Travel Expenses	859.04	960.44
Cat 2 Storage Costs	387.00	389.00
Cat 1 Utilities	154.33	873.62
Cat 1 Advertising	NIL	81.59
Cat 1 Rent Payable	NIL	766.83
Cat 1 Service Charge Payable	NIL	950.11
Post Appointment Customer Overpay	NIL	1,391.78
Cat 1 Media Management	NIL	5,000.00
Cat 1 Wages & Salaries	NIL	10,644.65
Cat 1 PAYE & NI	NIL	2,001.94
Cat 1 Pension & Student Loan Contributions	NIL	97.56
Cat 2 Printing, Postage & Stationery	436.04	436.04
Irrecoverable VAT	40,166.35	48,411.08
	<u>(131,678.44)</u>	<u>(334,362.75)</u>
	(98,300.53)	51,685.15
REPRESENTED BY		
Bank 1 Current - IB		51,685.15
		51,685.15

Note:

CFO LENDING LIMITED - IN ADMINISTRATION

Appendix B

Cumulative Receipts and Payments Account for Period from 6 April 2017 to 5 April 2018

**CFO Lending Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 06/04/2017 To 05/04/2018 £	From 06/04/2017 To 05/04/2018 £
ASSET REALISATIONS		
Payday Loan Book Sale	260,000.00	260,000.00
Client Debtors - Guarantor Loans	32,527.89	32,527.89
Client Debtors - Bank Payments	63,152.93	63,152.93
Client Debtors - Secure Trading	14,938.66	14,938.66
Motormile Returned Payments	1,856.41	1,856.41
Cash at Bank	13,436.01	13,436.01
Bank Interest Gross	136.00	136.00
	<u>386,047.90</u>	<u>386,047.90</u>
COST OF REALISATIONS		
Post Sale Motormile Funds	21,224.72	21,224.72
Cat 1 Bordereau Bonding	205.00	205.00
Agreed Pre Appointment Time Costs	90,107.50	90,107.50
Administrators' Fees	84,892.50	84,892.50
Cat 1 I.T Costs	13,976.22	13,976.22
Cat 1 Phone Costs	2,612.15	2,612.15
Cat 1 Business Rates	894.71	894.71
Cat 1 Payment Processing	131.99	131.99
Cat 1 Call Handling Services	10,000.00	10,000.00
Cat 1 Agents/Valuers Fees	20,172.00	20,172.00
Cat 1 Storage Costs	1,404.87	1,404.87
Cat 1 Debt Collection Fees	2,016.82	2,016.82
Cat 1 Travel Expenses	5,809.56	5,809.56
Cat 1 Equifinance Staff Recharge Cost	1,142.47	1,142.47
Cat 1 Aitch Staff Due Diligence Recharge	7,286.40	7,286.40
Cat 1 Printing, Postage & Stationery	481.20	481.20
Cat 2 Travel Expenses	960.44	960.44
Cat 2 Storage Costs	389.00	389.00
Cat 1 Utilities	873.62	873.62
Cat 1 Advertising	81.59	81.59
Cat 1 Rent Payable	766.83	766.83
Cat 1 Service Charge Payable	950.11	950.11
Post Appointment Customer Overpay	1,391.78	1,391.78
Cat 1 Media Management	5,000.00	5,000.00
Cat 1 Wages & Salaries	10,644.65	10,644.65
Cat 1 PAYE & NI	2,001.94	2,001.94
Cat 1 Pension & Student Loan Contributions	97.56	97.56
Cat 2 Printing, Postage & Stationery	436.04	436.04
Irrecoverable VAT	48,411.08	48,411.08
	<u>(334,362.75)</u>	<u>(334,362.75)</u>
	<u>51,685.15</u>	<u>51,685.15</u>
REPRESENTED BY		
Bank 1 Current - IB		51,685.15
		<u>51,685.15</u>

Note:

CFO LENDING LIMITED - IN ADMINISTRATION

Appendix C

Time Analysis for the Period from 6 October 2017 to 5 April 2018

Time Entry - Detailed SIP9 Time & Cost Summary

CFOLE001 - CFO Lending Limited
From: 06/10/2017 To: 05/04/2018
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 : Administration & Planning	0.00	0.00	14.60	0.00	14.60	3,029.00	207.47
101 : Case planning	0.20	0.00	0.00	0.00	0.20	90.00	450.00
104 : Maintenance of records	0.00	0.00	2.00	1.70	3.70	199.46	199.46
120 : General Correspondence	0.30	0.00	0.50	0.00	0.80	222.50	278.13
122 : Phr Review and Signing	0.20	0.00	0.00	0.00	0.20	90.00	450.00
147 : Admin - Administration 6 Month Progress Report	2.70	0.00	9.80	0.00	12.50	3,765.00	301.20
149 : Admin-Admin Extension Report - By Consent	0.60	0.00	6.80	0.00	7.40	1,970.00	266.22
184 : Cashier - Client Account Reconciliations	0.00	0.00	0.00	1.50	1.50	210.00	140.00
186 : Cashier - Receipts	0.00	0.00	0.00	5.60	5.60	784.00	140.00
187 : Cashier - Payments	0.00	0.00	0.00	1.20	1.20	168.00	140.00
188 : Cashier - VAT 426/427/833	0.00	0.00	0.00	0.20	0.20	28.00	140.00
Administration & Planning	4.00	0.00	33.70	10.20	47.90	11,094.50	231.82
604 : Regulator / FCA Dealings	0.20	0.00	0.50	0.00	0.70	215.00	307.14
606 : Client Dealings/Communications	0.50	0.00	174.90	0.00	175.40	31,207.50	177.92
607 : Client Accounts	0.00	0.00	31.80	0.00	31.80	5,880.00	184.91
609 : FOS Dealings	4.20	0.00	2.20	0.00	6.40	2,440.00	381.25
Case specific matters	4.90	0.00	209.40	0.00	214.30	39,742.50	185.45
500 : Creditors	0.00	0.00	8.20	0.00	8.20	2,032.00	247.80
501 : Communication with creditors	0.00	0.00	1.20	0.00	1.20	300.00	250.00
517 : Employee - Unsecured (Red/PILON)	0.00	0.00	0.40	0.00	0.40	100.00	250.00
519 : Claims - HMRC	0.00	0.00	0.40	0.00	0.40	100.00	250.00
Creditors	0.00	0.00	10.20	0.00	10.20	2,532.00	248.24
204 : Client Accounts - Investigations	0.00	0.00	2.20	0.00	2.20	475.00	215.91
205 : General Investigations	8.50	0.20	6.60	0.00	15.30	5,521.00	360.85
206 : SIP 4/CDDA Review	1.50	0.00	0.00	0.00	1.50	675.00	450.00
Investigations	10.00	0.20	8.80	0.00	19.00	6,871.00	351.11
300 : Realisation of assets	0.00	0.00	261.00	0.00	261.00	45,825.00	175.57
301 : Ident. securing and insuring assets	0.00	0.00	9.20	0.00	9.20	2,276.00	247.39
303 : Debt collection	19.70	0.00	58.80	0.00	78.50	22,297.00	284.04
304 : Sale of business and assets	0.00	0.00	7.50	0.00	7.50	1,815.00	242.00
310 : Antecedent Investigations and Realisations	0.70	0.00	0.00	0.00	0.70	335.00	478.57
313 : Agents - Debt Collection	0.00	0.00	12.10	0.00	12.10	2,117.50	175.00
324 : Claims Against Directors	1.60	0.00	2.00	0.00	3.60	1,184.00	328.89
Realisations of Assets	22.00	0.00	350.60	0.00	372.60	75,848.50	203.57
400 : Trading	0.00	0.00	0.50	0.00	0.50	125.00	250.00
401 : Management of operations	0.00	0.00	0.90	0.00	0.90	195.00	216.67
402 : Accounting for trading	0.00	0.00	0.40	0.00	0.40	76.00	190.00

Time Entry - Detailed SIP9 Time & Cost Summary

CFOLE001 - CFO Lending Limited
From: 06/10/2017 To: 05/04/2018
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Trading	0.00	0.00	1.80	0.00	1.80	396.00	220.00
Total Hours	40.90	0.20	614.50	10.20	665.80	136,285.50	204.69
Total Fees Claimed						84,892.50	

CFO LENDING LIMITED - IN ADMINISTRATION

Appendix D

Cumulative Time Analysis for the Period from 6 April 2017 to 5 April 2018

Time Entry - Detailed SIP9 Time & Cost Summary

CFOLE001 - CFO Lending Limited
From: 06/04/2017 To: 05/04/2018
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 : Administration & Planning	20.00	13.00	59.90	0.00	92.90	24,934.00	268.40
101 : Case planning	0.40	0.00	0.00	0.00	0.40	180.00	450.00
103 : Appointment notification	7.20	1.00	3.10	0.00	11.30	4,485.00	396.90
104 : Maintenance of records	0.00	0.00	6.50	3.60	10.10	2,129.00	210.79
113 : Dealing with Directors	2.00	0.00	3.60	0.00	5.60	1,845.00	329.46
115 : Insurance	0.00	0.00	0.40	0.00	0.40	100.00	250.00
120 : General Correspondence	0.80	0.00	0.50	0.00	1.30	447.50	344.23
122 : Pmt Review and Signing	1.30	0.00	0.00	0.00	1.30	585.00	450.00
146 : Admin - P49 Report	3.10	0.00	17.40	0.00	20.50	5,835.00	284.63
147 : Admin - Administration 6 Month Progress Report	2.70	0.00	9.80	0.00	12.50	3,765.00	301.20
149 : Admin-Admin Extension Report - By Consent	0.60	0.00	6.80	0.00	7.40	1,970.00	266.22
181 : Bonding - Bond Review	0.30	0.00	0.00	0.00	0.30	144.00	480.00
184 : Cashier - Client Account Reconciliations	0.00	0.00	0.00	3.10	3.10	434.00	140.00
186 : Cashier - Receipts	0.00	0.00	0.20	0.00	8.20	1,170.00	142.68
187 : Cashier - Payments	0.00	0.00	0.50	9.60	10.10	1,469.00	145.45
188 : Cashier - VAT 426/427/833	0.00	0.00	0.00	0.20	28.00	28.00	140.00
192 : Pensions - Pension Searches	0.00	0.00	0.40	0.00	0.40	100.00	250.00
193 : Pensions - s120 Forms & Submission	0.00	0.00	0.40	0.00	0.40	100.00	250.00
194 : Pensions - PDF Dealings	0.00	0.00	0.40	0.00	0.40	100.00	250.00
196 : Pensions - TPR Dealings	0.00	0.00	0.40	0.00	0.40	100.00	250.00
198 : Preparation of Fee Forecast	4.00	0.00	9.10	0.00	13.10	4,057.00	309.69
Administration & Planning	42.40	14.00	119.40	24.50	200.30	53,977.50	269.48
604 : Regulator / FCA Dealings	43.70	0.00	10.50	0.00	54.20	24,922.50	459.82
606 : Client Dealings/Communications	5.30	0.00	488.70	0.00	494.00	90,970.50	184.15
607 : Client Accounts	0.00	0.00	43.00	0.00	43.00	8,668.00	201.58
609 : FOS Dealings	7.60	0.00	11.10	0.00	18.70	6,215.50	332.38
Case specific matters	56.60	0.00	553.30	0.00	609.90	130,776.50	214.42
500 : Creditors	0.70	0.00	22.50	0.00	23.20	5,455.50	235.15
501 : Communication with creditors	2.60	0.00	10.00	0.00	12.60	3,588.00	284.84
504 : Claims Trade and Expense	0.20	0.00	0.00	0.00	0.20	90.00	450.00
508 : Secured Creditors	6.60	0.00	0.00	0.00	6.60	3,210.00	486.36
515 : Varden - Cat 1 Disbursement Creditors	1.60	0.00	0.00	0.00	1.60	880.00	550.00
516 : Employee - Pref Claims (Wages/Hol)	0.00	1.70	0.00	0.00	1.70	510.00	300.00
517 : Employee - Unsecured (Red/PILON)	0.00	6.00	1.70	0.00	7.70	2,225.00	288.96
518 : Claims - RPO	0.00	1.00	0.00	0.00	1.00	300.00	300.00
519 : Claims - HMRC	0.30	0.00	1.40	0.00	1.70	485.00	285.29
Creditors	12.00	8.70	35.60	0.00	56.30	16,744.50	297.42
201 : SIP 2 review	0.00	0.00	0.50	0.00	0.50	125.00	250.00
204 : Client Accounts - Investigations	0.00	0.00	4.20	0.00	4.20	975.00	232.14
205 : General Investigations	27.70	0.20	22.00	0.00	49.90	18,941.00	379.58
206 : SIP 4/CDDA Review	1.50	0.00	1.00	0.00	2.50	925.00	370.00
207 : CDDA Report	0.10	0.00	2.70	0.00	2.80	717.50	256.25
Investigations	29.30	0.20	30.40	0.00	59.90	21,663.50	361.99
300 : Realisation of assets	14.90	0.20	281.30	0.00	296.40	57,651.00	194.50

CFOLE001 - CFO Lending Limited
From: 06/04/2017 To: 05/04/2018
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
301 : Ident, securing and insuring assets	0.20	0.00	34.40	0.00	34.60	8,186.00	236.59
303 : Debt collection	29.70	0.00	60.80	0.00	90.50	27,706.00	306.14
304 : Sale of business and assets	43.50	0.00	13.10	0.00	56.60	24,752.50	437.32
310 : Antecedent Investigations and Realisations	0.80	0.00	0.00	0.00	0.80	377.50	471.88
311 : Agents - Realisation of Assets	2.30	0.00	1.20	0.00	3.50	1,335.00	381.43
312 : Legal - Realisation of Assets	5.30	0.00	0.00	0.00	5.30	2,425.00	457.55
313 : Agents - Debt Collection	0.00	0.00	129.50	0.00	129.50	22,953.50	177.25
316 : Leasehold Land & Property	0.50	0.00	5.60	0.00	6.10	1,589.00	260.49
317 : Leases/Licences	1.60	0.00	2.00	0.00	3.60	1,327.00	368.61
324 : Claims Against Directors	1.90	0.00	2.00	0.00	3.90	1,319.00	338.21
Realisations of Assets	100.70	0.20	529.90	0.00	630.80	149,621.50	237.19
400 : Trading	0.70	0.00	4.40	0.00	5.10	1,485.00	291.18
401 : Management of operations	28.30	0.20	2.70	0.00	31.20	14,751.00	472.79
402 : Accounting for trading	0.50	0.00	4.70	0.00	5.20	1,373.00	264.04
403 : On-going employee issues	8.60	0.70	10.70	0.00	20.00	7,058.50	352.93
Trading	38.10	0.90	22.50	0.00	61.50	24,667.50	401.10
Total Hours	279.10	24.00	1,291.10	24.50	1,618.70	397,471.00	245.55
Total Fees Claimed						84,892.50	

CFO LENDING LIMITED - IN ADMINISTRATION

Appendix E

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

Staff Allocation and the Use of Sub-Contractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

On this case we have used the services of the following sub-contractors

Services	Provider	Basis of Fee arrangement	Cost to date
Book Debt Collection	Bouchers with Allansons	20% of realisations	£2,016.82
Call Centre Services	Douglas Brown Associates	Fixed Fee	£10,000

As detailed at 2.13, Bouchers with Allansons were engaged to assist in the collection of the guarantor loan book for a fixed % of realisations. However, following discussions with the FCA, collections were brought in house and as such, no further amounts will be paid in this respect.

At the outset of the Administration and due to the anticipated substantial levels of calls from the 26,400 client creditors and 60,950 debtors, Douglas Brown Associates were engaged to provide call centre services for the initial period following the Administrators appointment.

Professional Advisors

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

Name of Professional Advisor	Basis of Fee Arrangement
Walker Morris LLP (legal advice)	Hourly rate and disbursements
Breal Asset Valuation Limited (valuation and disposal advice)	Hourly rate and disbursements
Morgan Rossiter Limited (Media Management)	Fixed Fee

Due to the high level of media interest in the case £5,000 was paid to a media management firm to deal with the initial media interest following the Administrators appointment.

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

CFO LENDING LIMITED - IN ADMINISTRATION

Joint Administrators' Expenses & Disbursements

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

	Estimated cost
Agents' costs for marketing and sale assistance	20,000.00
Solicitors' costs for legal advice relating to the conduct of the Administration	50,000.00
Agents' costs – Guarantor Loan Book Collection	Maximum 20% of Realisations
Call Centre Services	10,000.00
Statutory advertising	244.77
Specific penalty bond	205.00
External storage of company's books and records	840.00
Case related travel & subsistence	6,000.00
Category 2 disbursements charged by the firm:	
Photocopying	15p per sheet
Letterhead	12p per sheet
Fax	40p per sheet
Mileage	65p per mile
Meeting Room	£50
Registered Office Fee	£60
Document Storage	Storage charge of £3 per box per quarter

Current position of Joint Administrators' expenses

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

	Paid to date 31/03/11	Paid to date 31/03/11 incurred by the firm	Incurred but not paid to date 31/03/11	Total incurred cost £
Agents' costs	20,172.00	0.00	0.00	20,172.00
Solicitors' costs	0.00	0.00	35,000	50,000
Statutory advertising	81.59	0.00	0.00	244.77
Specific penalty bond	205.00	0.00	0.00	205.00
External storage of books & records	1,297.45	0.00	0.00	2,500.00
Case related travel & subsistence	5,809.56	0.00	0.00	5,809.56
I.T Costs	1,634.89	12,341.33	0.00	13,976.22
Phone Costs	2,612.15	0.00	0.00	2,612.15
Business Rates	894.71	0.00	0.00	894.71
Payment Processing	80.99	51.00	0.00	131.99
Staff Due Diligence Costs	7,286.40	0.00	0.00	7,286.40
Utilities	719.29	154.33	0.00	873.62
Rent	766.83	0.00	0.00	766.83
Services Charge Payable	950.11	0.00	0.00	1,391.78
Staff Wages and Salaries	10,644.65	0.00	0.00	10,644.65
PAYE & NI	2,001.94	0.00	0.00	2,001.94
Pension and Student Loan	97.56	0.00	0.00	97.56
Courier	0.00	0.00	13.38	13.38
Land Registry	0.00	0.00	3.00	3.00
Storage	1,297.45	107.42	0.00	1404.87
Equifinance Staff Recharge Costs	1,142.47	0.00	0.00	1,142.47
Printing, Postage and Stationery	322.09	159.11	4.22	600.00
Category 2 disbursements				
Printing, Postage and Stationery	0.00	436.04	10.32	600.00
Travel & Subsistence	101.40	859.04	0.00	960.44
Storage	2.00	387.00	43.00	1,000.00

CFO LENDING LIMITED - IN ADMINISTRATION

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided in the Administrators' Proposals Report and approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

Charge-Out Rates

A schedule of Harrison's Business Recovery and Insolvency Limited charge-out rates for this assignment effective from 1 July in each period is shown below. Please note this firm records its time in minimum units of 6 minutes.

	2016/2017	2017/2018
	£	£
Directors	305 – 550	305 – 550
Managers	250 – 350	250 – 350
Senior Case Supervisors	175 – 250	175 – 250
Case Supervisors	125 – 205	125 – 205
Assistants/Trainee Case Supervisors	100 – 150	100 – 150

AM10

Notice of administrator's progress report



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Jonathan Moon							
Company name	Harrisons Business Recovery and Insolvency Limited							
Address	102 Sunlight House							
	Quay Street							
Post town	Manchester							
County/Region								
Postcode	M	3		3	J	Z		
Country								
DX								
Telephone	0161 876 4567							



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