



1 Company details

Company number	0	7	9	5	2	9	7	9	→ Filling in this form Please complete in typescript or in bold-black capitals.
Company name in full	DJS (UK) Limited T/A Piggy-Bank								

2 Administrator's name

Full forename(s)	Shane
Surname	Biddlecombe

3 Administrator's address

Building name/number	HJS Recovery (UK) Ltd
Street	12-14 Carlton Place
Post town	Southampton
County/Region	
Postcode	S O 1 5 2 E A
Country	

4 Administrator's name ①

Full forename(s)	Gordon	① Other administrator Use this section to tell us about another administrator.
Surname	Johnston	

5 Administrator's address ②

Building name/number	HJS Recovery (UK) Ltd	② Other administrator Use this section to tell us about another administrator.
Street	12-14 Carlton Place	
Post town	Southampton	
County/Region		
Postcode	S O 1 5 2 E A	
Country		

AM10

Notice of administrator's progress report

6 Period of progress report

From date	<div><div>d</div><div>0</div></div>	<div><div>d</div><div>5</div></div>	<div><div>m</div><div>1</div></div>	<div><div>m</div><div>2</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>1</div></div>	<div><div>y</div><div>9</div></div>	
To date	<div><div>d</div><div>0</div></div>	<div><div>d</div><div>4</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>6</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature





Signature date

d

0

d

3

m

0

m

7

y

2

y

0

y

2

y

0

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 **Carol Haines**

Company name **HJS Recovery (UK) Ltd**

Address **12/14 Carlton Place**
Southampton

Post town **SO15 2EA**

County/Region

Postcode

Country

DX

Telephone **023 8023 4222**



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

Administrators' Progress Report

**DJS (UK) Limited T/A Piggy-Bank
- In Administration**

3 July 2020

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THE ADMINISTRATORS' PROGRESS REPORT

1 Executive Summary

- 1.1 The following is a summary of matters relating to the Administration. For more detailed information, please refer to the specific sections of this report.
 - 1.2 This progress report for the Administration covers the period from 5 December 2019 to 4 June 2020.
 - 1.3 The Administrators' Proposals were approved without modification at a Requisitioned Meeting of Creditors held on 11 March 2020.
 - 1.4 A Committee of five Creditors (or their representatives) was formed on 23 March 2020 to assist the Administrators in carrying out their functions. The Administrators have reported to the Committee at two virtual meetings convened for that purpose.
-
- 1.5 A summary of the Receipts and Payments for the period of this report is attached at Appendix A.
 - 1.6 Work undertaken by the Administrators during the period of this report has included –
 - Maintaining ongoing collections of the Company's loan book.
 - Finalising the Company's accounts in conjunction with the Company's former Accountants in order to recover the funds held by HM Revenue & Customs.
 - Undertaking a review of all security held by the Secured Creditors in conjunction with the Administrators' solicitors, Boyes Turner LLP, in order to confirm the validity thereof.
 - Working with the Company's former team to develop a methodology for dealing with customers' claims for Redress in respect of irresponsible lending.
 - 1.7 The Administrators' staff and the Collections and Customer Care teams have adapted to the Covid-19 crisis which required an immediate change in working practices in order to safeguard people's health whilst minimising disruption to the objective of the Administration.
 - 1.8 The Administrators continue to liaise with the FCA in order to ensure that collection processes comply with regulatory guidelines including forbearance measures for customers directly affected by the crisis.
 - 1.9 The Security review has confirmed that the Investors' respective debentures are not valid as Fixed Charges. However, the Charges contained in the debentures are valid as Floating Charges.
 - 1.10 As a consequence, the priority of payments that the Administrators will make to creditors are as follows –
 - i. Preferential Creditors
 - ii. Floating Charge Creditors
 - iii. Unsecured Creditors
 - 1.11 Preferential Claims are currently estimated at £90,123 and relate to Employees' unpaid Holiday Pay which was paid by the Redundancy Payments Service (RPS). Once the claim from the RPS has been received and agreed, it will be paid.
 - 1.12 Floating Charge Creditors are the individual Investors where security in the form of a Debenture has been registered at Companies House. The Administrators will seek to make payments to

Floating Charge Holders in their due order of priority, as and when funds permit. The Administrators will write separately to each Floating Charge Holder with a schedule of the priority of Charges, so each Investor is aware of where they rank in priority.

- 1.13 One Investor has challenged his priority ranking and the matter is currently with solicitors. An update on the outcome of the challenge will be provided in our next report.
 - 1.14 A further consequence of the Charges being classified as Floating Charges is that the provisions of Section 176A of the Insolvency Act relating to "The Prescribed Part" now applies.
 - 1.15 "The Prescribed Part" is a fund that is set aside from the Floating Charge realisations and made available to the Unsecured Creditors. The Prescribed Part calculation is applied to the Floating Charge realisations and is calculated at 50% of the first £10,000 of realisations and 20% of all further amounts, up to a maximum prescribed amount of £600,000
 - 1.16 The Administrators therefore currently consider that there will be the sum of £600,000 available for Unsecured Creditors from the Prescribed Part fund and will accordingly now seek to invite and agree Unsecured Claims. ~~Unsecured Claims will consist of trade and expense creditors,~~ amounts due to the former employees in respect of unpaid notice pay and redundancy paid and any agreed claim from customers in respect of Redress.
-
- 1.17 At this stage, the Administrators can not accurately assess the level of Unsecured Redress claims, but the dividend that will be paid to Unsecured Creditors will be significantly less than the value of any claims.
 - 1.18 The Administration is due to end on 4 December 2020. The Administrators intend to apply to the Court for an extension of the Administration for a further 12 months.
 - 1.19 The Administrators continue to pursue the objective of seeking to realise property in order to make a distribution to the Preferential and Secured creditors.

2 Background

- 2.1 I was appointed as Joint Administrator of DJS (UK) Limited, (the Company) together with my partner Gordon Johnston on 5 December 2019. The appointment was made by Simon Woodhams, one of the Company's Chargeholders.
- 2.2 This Administration is being handled by Shane Biddlecombe and Gordon Johnston at HJS Recovery (UK) Ltd, 12-14 Carlton Place, Southampton, Hampshire SO15 2EA. The Administrators' contact details are by phone on 023 8023 4222 or via email at recovery@hjsolutions.co.uk. The Administration is registered in the In The High Court of Justice Business and Property Courts of England and Wales, reference number CR-2019-008183.
- 2.3 Information about the way that we will use, and store personal data on insolvency appointments can be found in the attached Privacy Notice.
- 2.4 The trading address of the Company was 28 Avenue Road, Parkway House, Bournemouth BH2 5SL. The business traded under the name Piggy-Bank.
- 2.5 The registered office of the Company is c/o HJS Recovery (UK) Ltd, 12-14 Carlton Place, Southampton, Hampshire SO15 2EA and its registered number 07952979.
- 2.6 As 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 5 December 2019 to 4 June 2020 (the~~ **Period)** and should be read in conjunction with my Proposals and any previous updates that have been issued.

3 Progress of the Administration

- 3.1 You may recall that the statutory objective being pursued in the Administration was realising property in order to make a distribution to one or more secured or preferential creditors. 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.
- 3.2 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.
- 3.3 At Appendix A is my Receipts and Payments Account covering the period of this report.
- 3.4 Attached at Appendix B is a time analysis outlining the time spent by the Administrators and their staff during the Period.
- 3.5 Further information about the basis of remuneration agreed in this case and the Administrators' fees estimate can be found in section 4 of this report.

Administration (including statutory compliance & reporting)

- 3.6 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 Proposals.
- 3.7 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.
- 3.8 As noted in my Proposals, this work will not necessarily bring any financial benefit to creditors but is required on every case by statute.

Impact of the Covid-19 Pandemic

- 3.9 On 16 March 2020, the Prime Minister announced unprecedented restrictions on the UK population in an attempt to restrict the spread of the Covid-19 virus. Following this announcement, the Administrators implemented a home-working policy for the staff employed by BH Capital Holdings Limited and also their own team.
- 3.10 Following the transition to remote working the Collections and Customer Care Teams have continued to maintain operations with minimal disruption. The Customer Care Team was also made aware of the need to support any customer affected by the pandemic which may have impacted on their health and wellbeing and/or financial circumstances leaving them in a position where they are unable to meet their ongoing repayment obligations.

Realisation of Assets

Loan Book

- 3.11 The loan book at the date of Administration totalled £24,700,050.
- 3.12 During the period covered by this report £1,599,277.45 has been collected. £60,000 is currently held by the Merchant Services Provider, First Data, under the terms of the indemnity provided by the Administrators which has allowed borrowers to make their repayments without interruption. ~~These funds are being used to cover First Data's ongoing costs and any chargebacks. Any surplus will be paid to the Administration when we cease utilising their services.~~

- 3.13 As expected during these unprecedented times, we have seen a reduction in recoveries in recent months to an average of £226,000 every four weeks. This compares with circa. £300,000 every four weeks prior to the lockdown restrictions being imposed. As a result of the ongoing uncertainty surrounding the duration of the lockdown and degree to which any socio-economic normality will be resumed, the Administrators remain cautious as to whether there will be further adverse consequences in respect of collections.
- 3.14 The Collections team are also contacting borrowers who were not in a payment arrangement to review their circumstances and agree an affordable payment plan going forward.
- 3.15 The Administrators have considered whether a sale of part or all of the Company's Loan Book is appropriate. However, from the indications provided by prospective purchasers, the realisations from such a sale could be in the region of 12p in the £. The Administrators currently do not consider it beneficial to Creditors as a whole to undertake a sale at this stage.
- 3.16 We have continued to receive claims for redress and since the date of appointment 278 borrowers with active loans have had a redress claim agreed which has been offset against their remaining balance due to the Company. These claims amount to £120,208.02.
- 3.17 Several customers continued to make loan repayments after their borrowing had been repaid. The amounts overpaid have been refunded and total £882.10.
- 3.18 For the purposes of the Estimated Outcome for Creditors at Appendix D, the Administrators remain cautious in relation to the future collection performance as a result of Covid-19 and have revised the estimate for recovery of the Loan Book by a provision of 25%.

HMRC Repayment

- 3.19 As creditors will recall there is £1,055,382 due from HM Revenue & Customs in respect of Advanced Corporation Tax payments made by the Company. The Administrators have instructed the former Accountants, Mazars, to finalise the Company's accounts to cessation and submit the necessary Corporation Tax returns in order to secure the refund due to the Company. I understand that the accounts are in the course of being finalised and a further update will be provided in due course.

Cash at Bank

- 3.20 As previously reported, the sum of £483,936 was held in the Company's bank accounts at the date of the Administrators' appointment which has been recovered.

Tech Platform

- 3.21 No action has currently been taken in respect of the realisation of the Tech Platform as it is currently being utilised in relation to the collection of outstanding amounts from customers.

Rent Deposit

- 3.22 The Directors advised that the Company paid a rent deposit of £30,000 to its landlord when it entered into the lease in respect of the trading premises. Following the successful assignment of the lease the Administrators have requested that the rent deposit be repaid. To date no funds have been received and this matter remains ongoing.

Furniture and Equipment

- 3.23 Following appointment Lambert Smith Hampton attended the Company's premises and valued the Chattel Assets. They advised that the cost of removal would outweigh any realisable value.
- 3.24 However, the new tenant agreed to purchase the furniture and equipment for £3,500 and are in discussions with our Agent.

Contribution to Meeting Costs

- 3.25 Following the circulation of the Administrators' Proposals a creditor requisitioned a meeting of the Company's Creditors. The creditor was requested to cover the costs of the requisitioned meeting which amounted to £3,000.
- 3.26 It is considered that the work the Administrators and their staff have undertaken to date will bring a financial benefit to creditors.—The preferential creditors will be paid in full. There will be a distribution to the secured creditors of the Company (from which a Prescribed Part fund is available for the benefit of the unsecured creditors).

Creditors (claims and distributions)

- 3.27 Further information on the anticipated outcome for creditors in this case can be found at section 6 of this report. An Administrator is 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.
- 3.28 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 3.29 The above work will not necessarily bring any financial benefit to creditors generally, however an Administrator is 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 Administrator in dealing with those claims.
- 3.30 I consider the following matter worth noting in my report to creditors at this stage:
- There are 387,000 former customers that may be entitled to make a Redress claim against the Company. These claims will be unsecured claims and will rank for dividend pari passu with all other unsecured claims. As a dividend to unsecured creditors will be paid from the Prescribed Part, the Administrators are required to invite and assess claims from all former customers.

Investigations

- 3.31 Some of the work the Administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (**CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Administrator can pursue for the benefit of creditors.
- 3.32 The Administrators instructed HJA Business Solutions Limited (HJA) to undertake the SIP2 investigation. A number of Investors had raised concerns in relation to the conduct of the Directors which were provided to HJA.
- 3.33 I can confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 3.34 Following the initial investigation report by HJA, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment also took into account information provided by creditors either at the initial meeting (where held) or as a response to my request to complete an investigation questionnaire.

- 3.35 There are a number of matters that remain under investigation and the Administrators will report to the Committee once the investigation has been concluded.

What remains to be done in the Administration?

- 3.36 Assets still to be realised –

- Loan Book Collections
- HMRC Refund
- Rent Deposit
- Tech Platform

- 3.37 The claims of all creditors (including unsecured creditors in respect of Redress) need to be agreed and when sufficient funds permit, distributions made in their due order of priority.

4 Administrators' Remuneration

The Committee authorised that the Joint Administrators are to be remunerated on the basis of their time costs to a maximum of £750,000. No further remuneration will be able to be drawn without the approval of the Committee.

- 4.1 Our time costs for the Period are £218,599.00. This represents 711.61 hours at an average rate of £307.19 per hour. Attached at Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent in managing the Administration. To date, £135,000 plus disbursements of £287.00 has been drawn on account.
- 4.2 We now consider that the fee estimate we previously provided for the Administration may be insufficient to complete our duties as a result of the requirement to invite and agree unsecured creditors' claims and the payment of the resultant dividend together with the necessary extension to the Administration. The Administrators will discuss this further with the Committee at the next meeting.
- 4.3 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from <http://www.hjssolutions.co.uk/recovery/publications/>.
- 4.4 Attached at Appendix C is additional information in relation to the Administrators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

5 Estimated Outcome for Creditors

- 5.1 An Estimated Outcome Statement as at 4 June 2020 is attached at Appendix D. As mentioned above, the estimated future collection performance has been revised in view of the current crisis. The estimate of ongoing costs is detailed in Appendix C. We have not included a figure for the total of unsecured creditors, as it is not currently possible for the Administrators to accurately assess the level of Redress claims from customers at this stage. We are therefore unable to estimate the quantum of the dividend available to unsecured creditors.

Secured Creditors

- 5.2 The Company has 46 debentures against it in respect of the investments provided by High Net Worth individuals. At the date of the Administration the indebtedness to the secured creditors was estimated at £21.8 million. Formal claims have not been received from all secured creditors at present, and the Administrators would invite them to do so.

Preferential Creditors

- 5.3 Whilst we have yet to receive a formal claim from the Redundancy Payments Service, based on the employee claims received, the preferential claim is estimated at £90,123.99 in respect of unpaid holiday pay. This figure may be subject to change should further claims be received.
- 5.4 It is anticipated that the Preferential creditors will be paid in full.

Unsecured Creditors

- ~~5.5 The statement of affairs detailed unsecured creditors of £467,139. This did not include any potential claims in respect of Redress.~~

- 5.6 As a result of the Security registered against the Company constituting Floating Charges, the Administrators are required to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**).

Prescribed part

- 5.7 Section 176A of the Insolvency Act 1986 provides that, where the company has created a floating charge after 15 September 2003, the administrators must make a Prescribed Part of the company's net property available for the unsecured creditors and not distribute it to the floating chargeholders except in so far as it exceeds the amount required for the satisfaction of the unsecured claims. Net property means the amount which would, were it not be for this provision, be available to floating chargeholders out of floating charge assets (i.e. after accounting for preferential debts and the cost of realisation). The Prescribed Part is calculated by reference to a sliding scale as follows:
- 50% of the first £10,000 of Net Property
 - 20% of Net Property thereafter
 - Up to a maximum amount to be made available of £600,000
- 5.8 Based on present information, I estimate that the value of the unsecured creditors' fund will be £600,000. Please note that this estimate is subject to fluctuation and the final outcome can only be determined once all asset realisations have been made.
- 5.9 Trade and expense creditors per the Director's statement of affairs amounted to £208,473.45. I have received claims from 6 creditors amounting to £1,603,060.80. I have yet to receive claims from 16 creditors whose claims total £102,242.62 per the Director's statement of affairs.
- 5.10 I have received a claim from HM Revenue & Customs for £63,764.25.
- 5.11 Based on the employee claims received it is estimated that the unsecured claim in respect of Redundancy and Notice Pay due to the former employees will be £175,121.23.
- 5.12 There is one investor with an unsecured claim of £6,618.76

Redress Creditors

- 5.13 Redress Claims comprise of current and former customers who believe that they were sold an unaffordable loan(s). As a result, these customers may be due a refund in respect of interest and fees paid on those loans.
- 5.14 There were 136 upheld claims totalling £76,926 that were not settled prior to the administration.
- 5.15 There are 387,228 historic customers that have previously obtained a loan from the Company. As a result of funds being available to unsecured creditors by virtue of the Prescribed Part fund, there will now be a dividend available to unsecured creditors. The Administrators will now invite and agree claims from historic customers. The Administrators are not able to accurately estimate the level of unsecured Redress claims at this stage.
- 5.16 Since the Administrators' appointment 1,431 claims from historic customers amounting to £833,082 have been upheld.
- ~~5.17 In relation to existing customers, should they have a claim for Redress, any amount agreed will be set off against their outstanding balance. Currently, 278 claims from existing customers have been agreed and an amount of £120,208 has been set off.~~
-

6 Extending the Administration

- 6.1 The Administrators will be seeking to extend the period of the Administration, in order to conclude the realisation of the Company's assets, quantify the extent of Redress creditors and make a distribution to creditors. An Application to Court will be made in due course.

7 Ending the Administration

- 7.1 Based on present information, the Administrators think that the Company has sufficient property to permit a distribution to the unsecured creditors by virtue of the Prescribed Part and a distribution available to the secured and preferential creditors of the Company. As a result, once these distributions have been made, a notice will be filed at Court and with the Registrar of Companies with the Administrators' final progress report, for the dissolution of the Company.
- 7.2 The Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon his appointment as Administrator ceasing to have effect.

8 Creditors' Rights

- 8.1 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 Administrator provide further information about his remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 8.2 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 Administrator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrator, as set out in this progress report, are excessive.
-

9

Covid-19

This report has been produced during the Covid-19 restrictions. We have taken every reasonable step to ensure that the information is accurate, but if it comes to light that anything is incorrect or incomplete, we will provide an explanation and corrected information in the next progress report.

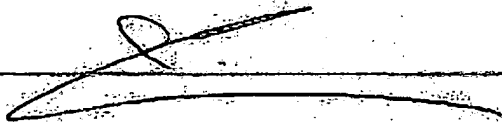
10

Next Report

10.1

The Administrators are required to provide a progress report within one month of the end of the next six months of the Administration.

For and on behalf of
DJS (UK) Limited T/A Piggy-Bank



Shane Biddlecombe FABRP
Joint Administrator

Privacy Notice

Use of personal information

We process personal information to enable us to carry out our work as insolvency practitioners which includes processing data that was held by companies/individuals before our appointment together with data collected during an insolvency procedure or a fixed charge receivership. Our legal obligation to process personal data arises from work we are required to carry out under insolvency and other related legislation.

Insolvency practitioners are Data Controllers of personal data in so far as defined by data protection legislation. HJS Recovery (UK) Ltd will act as Data Processor on their instructions about personal data in relation to an insolvency procedure or fixed charge receivership.

Personal data will be kept secure and processed only for matters relating to the insolvency procedure being dealt with.

The data we may process

The personal data insolvency practitioners may process in most cases will be basic details that may identify an individual and will typically be sufficient to allow us to carry out our work as insolvency practitioners, for example, dealing with the claims of individuals who are owed monies by the companies/individuals over whom we have been appointed.

However, insolvency practitioners may be appointed over entities that process personal data that is considered more sensitive, for example health records and this sensitive data will usually have been created before our appointment. Although we will take appropriate steps to safeguard sensitive data (or to destroy it where it is appropriate to do so), subject to limited exceptions, for example, where we identify previous conduct and/or action that requires further investigation, we will not be processing sensitive data.

Sharing information

We may share personal data with third parties where we are under a legal or regulatory duty to do so, or it is necessary for the purposes of undertaking our work as insolvency practitioners. We may also share personal data to lawfully assist the police or other law enforcement agencies with the prevention and detection of crime, where disclosure is necessary to protect the safety or security of any persons and/or otherwise as permitted by the law.

How long will we hold it?

Personal data will be retained for as long as any legislative or regulatory requirement requires us to hold it. Typically, this may be up to 6 years after which it will be destroyed.

What are your rights?

You have the right to receive the information contained in this document about how your personal data may be processed by us.

You also have the right to know that we may be processing your personal data and, in most circumstances, to have information about the personal data of yours that we hold, and you can ask for certain other details such as what purpose we may process your data for and how long we will hold it.

Individuals have the right to request that incorrect or incomplete data is corrected and in certain circumstances, you may request that we erase any personal data on you which may be held or processed as part of our work as insolvency practitioners. If you have any complaints about how we handle your personal data, please contact Shane Biddlecombe at HJS Recovery (UK) Ltd, 12-14 Carlton Place, Southampton, SO15 2EA or via email at recovery@hjsolutions.co.uk so we can resolve the issue, where possible. You also have the right to lodge a complaint about any use of your information with the Information Commissioners Office (ICO), the UK data protection regulator.

Appendix A

Receipts and Payments Account from 5 December 2019 to 4 June 2020

DJS (UK) Limited T/A Piggy-Bank
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 05/12/2019 To 04/06/2020 £	From 05/12/2019 To 04/06/2020 £
	SECURED ASSETS		
531,399.00	Cash at Bank	483,936.21	483,936.21
	Contribution Requisitioned Meeting Costs	3,000.00	3,000.00
2,000.00	Furniture & Equipment	NIL	NIL
1,055,382.00	HMRC Repayment	NIL	NIL
21,000,000.00	Loan Book	1,539,277.45	1,539,277.45
30,000.00	Rent Deposit	NIL	NIL
Uncertain	Tech Platform	NIL	NIL
		<u>2,026,213.66</u>	<u>2,026,213.66</u>
	COSTS OF REALISATION		
	BHC Holdings Direct Costs	299,842.76	299,842.76
	Ongoing Bank Charges	3,547.24	3,547.24
	Repayment re Loans Overpaid (post-appt)	882.10	882.10
		<u>(304,272.10)</u>	<u>(304,272.10)</u>
	SECURED CREDITORS		
(21,875,965.78)	Charge Holders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	ASSET REALISATIONS		
	Bank Interest Gross	293.89	293.89
		<u>293.89</u>	<u>293.89</u>
	COST OF REALISATIONS		
	Accountancy Costs	250.00	250.00
	Agent's Costs Outsourced Employee Claims	3,350.00	3,350.00
	Agents Fees	750.00	750.00
	Agents/Valuers Fees (1)	2,500.00	2,500.00
	Compliance consultancy fees	1,500.00	1,500.00
	Final Wages	54,714.68	54,714.68
	Insurance Costs	112.00	112.00
	Legal Fees (1)	14,544.00	14,544.00
	Office Holders Fees	135,000.00	135,000.00
	Ongoing SAGE Subscription & Support	2,866.00	2,866.00
	Statutory Advertising	175.00	175.00
	VAT	71,111.52	71,111.52
		<u>(286,873.20)</u>	<u>(286,873.20)</u>
	PREFERENTIAL CREDITORS		
(144,838.67)	Employee Arrears/Hol Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(76,926.18)	Consumer Creditors	NIL	NIL
(175,121.23)	Employees	NIL	NIL
(6,618.76)	Investors	NIL	NIL
(208,473.45)	Trade & Expense Creditors	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(3,000,100.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(2,869,263.07)</u>		<u>1,435,362.25</u>	<u>1,435,362.25</u>
	REPRESENTED BY		
	Bank 1 Current		1,235,280.55
	Bank 2 Current		200,081.70
			<u>1,435,362.25</u>

Appendix B

Time Analysis for the Period from 5 December 2019 to 4 June 2020

DJS (UK) LIMITED T/A PIGGY-BANK - IN ADMINISTRATION

TIME AND CHARGE OUT SUMMARIES DATED 5 DECEMBER 2019 TO 4 JUNE 2020

Hours							
Classification of work function	Insolvency Practitioner	Manager/ Senior Manager	Supervisor	Assistants & Support Staff	Total Hours	Time Cost	Average hourly rate

Administration, Planning & Statutory Duties	184.85	140.17	6.75	88.43	422.20	£121,405.00	£287.55
Investigations	9.00	16.67	0.00	1.00	26.67	£7,730.00	£289.84
Realisations of assets	30.25	31.50	3.70	0.00	65.45	£20,400.00	£311.69
Creditors	146.75	17.29	9.70	18.70	192.44	£67,284.00	£349.64
Tax reviews	3.85	1.00	0.00	0.00	4.85	£1,780.00	£367.01
Total Hours	374.70	206.63	22.15	108.13	711.61	-	-
Total Costs	£149,880.00	£50,645.00	£4,430.00	£13,644.00	-	£218,599.00	£307.19
Current Chargeout rates	£400	£240 - £300	£150 - £200	£120 - £150			

Appendix C

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

Additional Information in Relation to the Administrators' Fees, Expenses & Disbursements in accordance with the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 and Statement of Insolvency Practice 2

DJS (UK) Limited – In Administration

Pre-administration costs and work undertaken

Information on the pre-administration fees charged and expenses incurred in this case, and an outline of the work undertaken were detailed in the Administrators' Report and Statement of Proposals.

Agreed Fee Basis

The Committee authorised that the Joint Administrators are to be remunerated on the basis of their time costs to a maximum of £750,000. No further remuneration can be drawn without the approval of the committee.

Outline of work done by the Administrators

A description of the work undertaken in the Period covered by this report is detailed below.

Administrators' Expenses

The Administrators are required to provide creditors with details of the expenses we consider will be, or are likely to be, incurred in the Administration. These may include expenses such as agent's costs for assisting in the disposal and realisation of the company's physical assets or other routine expenses associated with an insolvency case such as statutory advertising costs or the office holder's specific penalty bond.

All expenses incurred pre-appointment together with the expenses incurred or likely to be incurred in the administration are detailed in the attached estimate. We will provide a further update to creditors in subsequent progress reports.

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:

Service (s)	Provider	Basis of fee arrangement
Employee claims processing	Evolve IS	Fixed fee
SIP 2 Investigation	HJA Business Solutions	Hourly rate and disbursements
Debt collection and complaint handling	BH Capital Holdings Limited	Costs incurred

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.

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 arrangements with them.

Service (s)	Provider	Basis of fee arrangement
Legal Advice	Boyes Turner LLP	Hourly rate and disbursements

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:

JOINT ADMINISTRATORS' EXPENSES ESTIMATE			
Expense	Reason	Frequency	12 Month Total
Statutory advertising	Statutory requirement	Once	£81
Specific bond	Statutory requirement	Once	£1,300
Insurance	Statutory requirement	Once	£200
BH Capital Holdings Limited	Costs in relation to debt collection and complaint handling, as set out in the proposals.	£59,172 - Monthly	£710,064
External FCA compliance officer	Assist the Administrators with FCA regulated matters.	£1,120 - Monthly	£13,440
First Data	Merchant services for Card Collections	£3,000- Monthly	£36,000
Boyes Turner Solicitors	Review of securities. Priority of charges advice. Discussions with Counsel. Further advice as required. Time cost basis	Ongoing	£70,000
Lambert Smith Hampton	Agents advice in relation to chattel assets and Tech platform. Hourly rate and disbursements basis	Ongoing	£20,000
Enterprise Chambers	Counsel's advice	Ongoing	£2,000
Mazars	Accountancy advice and assistance in relation to recovery of ACT. Hourly rate and disbursements	Ongoing	£15,000
HJA Business Statutory	Statutory investigations. Hourly rate and disbursements basis	Once	£7,000
CentrePoint Software	Sage 200 subscription	Once	£2,866
Evolve IS	Processing employee claims. Fixed Fee basis	Once	£3,350
Total Estimated Expenses			£881,301

Notes

- 1) All figures exclude VAT. VAT is not recoverable
- 2) The costs are estimates only and may be subject to change. The committee will be provided with details of any variation of these costs.

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:

Supplier / Service Provider	Nature of expense incurred	Amount incurred to date £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
BH Holdings Limited	Costs in relation to debt collection and complaint handling	368,577.34	299,842.76	68,734.58	710,064.00
External FCA Compliance Officer	Assist the Administrators with FCA regulated matters	1,500.00	1,500.00	0.00	6,000.00
First Data	Merchant Services for Card Collections	3,293.65	Deducted from funds held	0.00	36,000.00
Boyes Turner Solicitors	Review of securities. Priority of charges advice. Discussions with Counsel. Ongoing advice as required.	14,544.00	14,544.00	0.00	70,000.00
Lambert Smith Hampton	Agent's advice in relation to chattel assets and Tech Platform.	0.00	0.00	0.00	2,500.00
Nova Consultants	Compliance related matters	750.00	750.00	0.00	750.00
Mazars	Accountancy advice and assistance in relation to the recovery of ACT.	4,250.00	250.00	4,000.00	15,000.00
HJA Business Solutions	Statutory investigations	2,500.00	2,500.00	0.00	3,500.00
Centrepont Software	SAGE 200 subscription and support	2,866.00	2,866.00	0.00	2,866.00
Evolve IS	Processing employee claims	3,350.00	3,350.00	0.00	3,350.00
Legal & Public Notices	Statutory Advertising	175.00	175.00	0.00	175.00
Jurys Inn	Meeting room hire	125.00	125.00	125.00	125.00
Marsh Ltd	Specific Bond	2,600.00	0.00	2,600.00	2,600.00
Marsh Ltd	Insurance of assets	115.00	115.00	0.00	115.00

The expenses above are broadly in line with the estimates provided in the Administrators' Proposals. The costs of BH Capital Holdings in relation to the collection process and complaint handling are higher month on month than estimated in the Proposals, although the estimate was for a 12 month period. These costs continue to be monitored by the Administrators.

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.

Charge-Out Rates

Where the Administrators' remuneration is agreed on a time cost basis, details of our current charge-out rates are shown below. Please note this firm records its time in minimum units of 6 minutes.

	Effective from 19 March 2018
	(Per hour) £
Insolvency Practitioners	400
Senior Managers & Managers	240-300
Supervisors	150-200
Administrators and Support Staff	120-150
Specialist departments within HJS Solutions, such as Tax, VAT and Pensions, do sometimes charge a small number of hours to an assignment, should the Insolvency Directors require their expert advice. Their rates do vary however, the figures given below provide an indication of the rates charged per hour.	
Directors	110-220
Senior Managers & Managers	82-140
Supervisors	42-70
Administrators and Support Staff	20-40

Please note that we reserve the right to amend these rates from time to time during the course of the assignment, however any material amendments to these rates will be advised to creditors in the next statutory report.

WORK UNDERTAKEN BY THE ADMINISTRATORS AND THEIR STAFF

TASK CATEGORY	TASKS UNDERTAKEN TO DATE	REASONS WHY TASK UNDERTAKEN AND BENEFIT
ADMINISTRATION - 422.20 HOURS £121,495.00 £227,557.11		
Initial considerations & case set-up	<p>Initial money laundering risk assessment including the required, "Know your client" verifications</p> <p>Consideration of professional ethical matters</p> <p>Undertaking company searches and reviewing statutory information</p> <p>Consideration of other case specific matters</p> <p>Create case on internal software</p> <p>Set up and administer administration bank account</p> <p>Prepare calculations for statutory bond and ensure that they are processed</p> <p>Discussions with Financial Conduct Authority in relation to the Administration</p> <p>Continue to ensure safe storage/disposal of any relevant company data</p>	There is no direct benefit to creditors
Appointment formalities	<p>Filing appointment documents at Companies House</p> <p>Reviewing validity of appointment documents</p> <p>Preparing press release and dealing with enquiries from local and national press</p> <p>Advertise appointment in the London Gazette and any other applicable publication considered appropriate</p> <p>Prepare appointment notification documents and circulate to the Company's creditors and any other interested parties</p>	Statutory requirement

	Maintaining creditors' list for circulation	
	By notice, appointing creditors for hearing	
Case management	Oversee case strategy to achieve the success of the Administration	Statutory requirement
	Working with Financial Conduct Authority regarding case strategy to ensure compliant with FCA regulations	
	Corresponding with former advisors to assist with enquiries	
	One month file review	
	Facilitating recovery of loan book and weekly reporting to Financial Conduct Authority in respect of loan book recoveries and complaint levels.	
	Ongoing strategy meetings to review in particular success of loan book recoveries and extent of ongoing redress claims to ensure that the purpose of the Administration remains achievable	
	Review and analysis of company records	
	Six month file review	
Reports, circulars notices and decisions	Prepare and circulate Administrator's Statement of Proposals	Statutory requirement
	Preparation of information relating to Administrator's fees and tasks to be undertaken in the Administration	
	Submitting proposals to Companies House and online filing with the Court	

	Discussions with Financial Conduct Authority and seeking their approval re proposed correspondence to customers with redress claims	
	Discussions with Financial Conduct Authority regarding strategy for contacting the Company's former customers who may be entitled to redress	
	Preparation of six month progress report Seeking approval of the Administrators' fees Preparation of Decision notices in relation to fee approval	
Committee	Invite creditors to make a decision on establishing a creditors' committee Establish and hold meetings with creditors' committee Regular reporting to creditors' committee	Statutory requirement Allows creditors to be involved in the decision making process
Statement of affairs	Formally request the completion of the statement of affairs by the company's directors Assist directors with any queries relating to this process where necessary Statement of Affairs to be circulated with proposals and filed at Companies House	Statutory requirement
Cashiering	Open estate bank accounts	

		Manage and maintain estate bank accounts	
		Coordinate payment of the property cost	
		Undertake bank reconciliations	
ASSETS 6.45 HOURS £20,460.00 £11,189/M			
Loan Book	<ul style="list-style-type: none">Initial review of loan book to establish potential recoveries and extent of delinquent debtMonitoring recovery of loan book and delinquent debt and ensuring ongoing regulatory complianceMaintaining operations in order to maximize realizations, deal with customer complaints and redress claimsOverseeing communication with customers and monitoring collectionsOngoing weekly monitoring of recoveries against initial projectionsIdentifying with potential interested partiesWeekly management meetings with debt collection teamDealing with Ongoing requests for refunds where overpayments made	<ul style="list-style-type: none">Maximise collections in respect of loan book assetsMaximising recoveries for the benefit of creditors	
Cash at Bank	<ul style="list-style-type: none">Identifying with bank regarding ongoing banking requirementsObtaining credit balances and reconciliation of funds receivedIdentifying with Merchant Provider First Data to agree continuation of facilitiesComplete First Data indemnity paperwork to enable continuation of merchant services	<ul style="list-style-type: none">Maximising recoveries for the benefit of creditors	
Tech Platform	Discussions with agent regarding value and suitability thereof	Maximising recoveries for the benefit of creditors	

Furniture & Equipment	Identify assets on site and instruct Agent to provide valuation	Maximising recoveries for the benefit of creditors
	Agree appropriate marketing strategy with Agent	
	Ensure compliance with Environmental Health and Health and Safety	
HP, Leasing & Third Party Goods	Liaising with third parties in relation to assets subject to finance or third party ownership	Maximising recoveries for the benefit of creditors
	Arrange return and collection to correct ownership	
	General queries in relation to third party of financed assets	
	Oversee collection of third party goods	Mitigating creditor claims
HMRC Repayment	Instruct former Accountants to complete final accounts and tax returns and submit to HM Revenue & Customs.	Maximise potential recoveries for creditors
Property and Rent Deposit	Review lease to ascertain Landlord's details and confirm liability/obligations	Maximise potential recoveries for creditors
	Arrange a formal meeting with the Landlord/liase/correspond	Necessary to discharge an Office Holders Duties
	Facilitate any required site matters	
	Liaising with third parties interested in taking an assignment of the lease and instructing solicitors	
	Review site security and consider any additional measures required	
Insurance	Arranging open cover insurance	Preserve the value of the Company's assets
INVESTIGATION 26.67 HOURS £7,730.00 £289.84/HR		
Directors/ Stakeholders/ Employees	Corresponding and meeting with former directors, stakeholders, employees as necessary regarding the affairs of the Company and the conduct of the directors	May not provide financial value but required to comply with office holders duties

	Reviewing and evaluating information received to identify any matters that may require further investigations or any assets that may lead to recoveries for the estate	
	Review and evaluate information provided by directors, stakeholders, employees and trustees of the estate to meet the requirements of SIP2 and enable completion of conduct report	
Books and Records	<p>Securing Company records from the trading premises</p> <p>Securing any records held electronically</p> <p>Initial review of records</p> <p>Liaising with third parties in relation to collection of records</p> <p>Back up copies of electronic server and electronic records</p> <p>Records to be fully reviewed and scheduled</p> <p>Information to be fully evaluated to identify any matters that require investigation or any assets that may be realised for the benefit of the administration</p>	May not provide financial value but required to comply with office holders duties
Bank analysis	Corresponding with Bank to obtain bank statements for the Company's four bank accounts	May not provide financial value but required to comply with office holders duties
	Full analysis of bank statements to identify any matters that require investigation or that may lead to recoveries for the benefit of the administration	
Conduct report	Initial SIP 2 review	

Consider CDDA Requirements

Instructing third party to carry out investigation review

Finalise SIP 2 review

Submit report and findings on the Conduct of the Directors to the Insolvency Service

CREDITORS 192.44 HOURS £67,284.00 £349.64/HR

Secured Creditors

Appointment notifications

Statutory requirement

Liaising and meetings with investors

Investors

Preparing and circulating interim reports for investors

Dealing with investors' queries and concerns

Determine the order of priority in respect of any dividends

Pensions

Obtain details of Company's payroll

May not provide financial value but required to comply with office holders duties

Correspond with the Pensions Regulator, Employee benefits provider and pension scheme provider

Review company records for any existing pension schemes

Complete and file statutory forms to fulfil pension obligations

Review payment history on company pension scheme

Employees	Meeting with staff and confirming redundancies Instructing agent to assist with employee claims Making payments to employees in respect of lost wages Dealing with employee related queries Updating database in respect of claims agreed	Statutory requirement
Unsecured	Collect information relating to creditors Respond to all enquiries received/queries Write to creditors and advise of appointment, rights and requirements Liaising with Financial Ombudsmen to identify extent of open claims to be returned to the Company	Statutory requirement
Ransom	Negotiate with key creditors where applicable to ensure continuation of supply of required services	Necessary to discharge office holders duties
Dividend	Prepare estimated outcome statement to determine amounts available to each class of creditor Review legal advice in respect of validity and priority of secured creditors	Enables asset realisations to be distributed to creditors.
Retention of title	Collect and request further information if applicable	Necessary in accordance with office holders duties

	Review and consider documentation provided by claimant , alongside company records to consider claim	Ensures claims are handled appropriately
	Arrange for site attendance to enable claimants to identify their stock	
Redress Creditors	<p>Assessing extent of redress claims agreed pre appointment</p> <p>Dealing with telephone calls and queries from redress creditors</p> <p>Liaising with Financial Ombudsman to identify number of open cases and seek return to Company</p> <p>In consultation with Financial Conduct Authority consider methodology for assessing potential redress claims for both existing and former customers and strategy for communicating with these individuals</p>	Regulatory requirement
TAX REVIEWS 4.85 HOURS £1,780.00 £367.01/HR		
Tax	<p>Notify HMRC of appointment</p> <p>Ascertain if there are any outstanding refunds due from HMRC</p> <p>Review overall tax position</p> <p>Confirm date of last submitted returns for all taxes</p> <p>Collate tax records</p>	Statutory requirement

Appendix D

Estimated Outcome Statement as at 4 June 2020

DJS (UK) Limited - In Administration

Estimated Outcome Statement as at 4 June 2020

		Estimated to realise - £
Realisations		
Loan Book		15,000,000
HMRC Repayment		1,055,382
Tech Platform		Uncertain
Furniture and equipment		3,500
Cash at Bank		483,936
Rent deposit		30,000
		<u>16,572,818</u>
Estimated costs of Administration		
Estimated expenses as per Appendix C	853,045	
Administrators' fees (estimated)	750,000	
Administrators' disbursements (estimated)	1,500	
Final wages	54,715	
Irrecoverable VAT	<u>320,366</u>	<u>-1,979,626</u>
Total funds available for Preferential creditors		14,593,192
Preferential Creditors		
Employees' claims		<u>-90,213</u>
Net Floating Charge Realisations		14,502,979
Less - Prescribed Part Fund		<u>-600,000</u>
Available for Floating Chargeholders		<u>13,902,979</u>
Floating Charge Creditors		<u>21,800,000</u>
Prescribed Part Fund - Available for Unsecured Creditors		<u>600,000</u>

Notes

1. The Administrators have revised the estimate for recovery of the Loan Book
 2. The estimated costs are summarised in Appendix C
 3. There will be a shortfall in respect of Floating Chargeholders
 4. There will be a dividend to Unsecured Creditors, although the costs of inviting and agreeing claims and the payment of the resultant dividend will be met for the Prescribed Part fund
 5. VAT is not recoverable
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