In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016.

AM10

Notice of administrator's progress report

Companies House

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

1 Company details

Company number	0 7 9 5 2 9 7 9
Company name in full	DJS (UK) Limited T/A Piggy-Bank

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

2 Administrator's name

Full forename(s)	Shane
Surname	Biddlecombe

3 Administrator's address

Building name/number	Grove House
Street	Meridians Cross, Ocean Village
Post town	Southampton
County/Region	Hampshire
Postcode	S O 1 4 3 T J
Country	

4 Administrator's name ❶

Full forename(s)	Gordon
Surname	Johnston

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

5 Administrator's address ❷

Building name/number	Grove House
Street	Meridians Cross, Ocean Village
Post town	Southampton
County/Region	Hampshire
Postcode	S O 1 4 3 T J
Country	

❷ **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 5	m 0 m 6	y 2 y 0 y 2 y 1
To date	d 0 d 4	m 1 m 2	y 2 y 0 y 2 y 1

7 Progress report

☑ I attach a copy of the progress report

8 Sign and date

Administrator's signature	Signature X X	
Signature date	d 2 d 2	m 1 m 2 y 2 y 0 y 2 y 1

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: Fortus Recovery Limited

Address: Grove House, Meridians Cross
Ocean Village

Post town: Southampton

County/Region: Hampshire

Postcode: S O 1 4 3 T J

Country

DX

Telephone: 0808 196 8676

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

For the period from 5 June 2021 to 4 December 2021

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APPENDICES

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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 June 2021 to 4 December 2021.

1.3 A summary of the Receipts and Payments for the period of this report is attached at Appendix A.

1.4 Work undertaken by the Administrators during the period of this report has included:–

- Maintaining ongoing collections of the Company's loan book.
- Dealing with redress claims from the Company's former customers.
- Ongoing discussions with HM Revenue & Customs regarding the repayment due to the Company in respect of Advance Corporation Tax previously paid.
- In conjunction with Boyes Turner, dealing with the challenge received from Investor B relating to the validity and ranking status of security which the Company granted to this individual in 2019 and which remained shown as 'outstanding' as at the date the Company entered administration.
- Arranging settlement of the claim of the first debenture holder and the balance due in respect of the settlement agreement with the Investor, as detailed in my previous report.
- Agreeing the claims of the next six floating charge holders and making a distribution of 60 pence in the £ in their due order of priority.

1.5 The Administrators have continued to operate a home-working policy for the majority of staff employed by BH Capital Holdings Limited and also their own team.

1.6 In the last six months as collections have continued to drop the number of staff employed by BH Capital Holdings Limited has been reduced in order to reduce costs.

1.7 The Administrators continue to liaise with the FCA in order to ensure that collection processes comply with regulatory guidelines and forbearance measures for customers who continue to experience financial difficulties.

1.8 The priority of payments that the Administrators will make to creditors remains as follows:

i. Preferential Creditors

ii. Floating Charge Creditors

iii. Unsecured Creditors

1.9 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 charge holders.

2.2 The Administration is being handled by Fortus Recovery Limited at Grove House, Meridians Cross, Ocean Village, Southampton, SO14 3TJ. The Administrators' contact details are by phone on 0808 196 8676 or via email at recovery@fortus.co.uk. The Administration is registered in the The High Court of Justice Business and Property Courts of England and Wales, reference number CR-2019-008183.

2.3 As previously reported, on 2 December 2020 the Court approved the Administrators' request to extend the Administration until 5 December 2022.

2.4 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 5 June 2021 to 4 December 2021 (the Period) and should be read in conjunction with my earlier proposals report and any previous progress reports which have been issued.

2.5 Information about the way that we will use, and store personal data on insolvency appointments can be found in the attached Privacy Notice.

2.6 The trading address of the Company was 28 Avenue Road, Parkway House, Bournemouth, BH2 5SL. The business traded under the name Piggy-Bank.

2.7 The registered office of the Company has been changed to Fortus Recovery Limited, Grove House, Meridians Cross, Ocean Village, Southampton, Hampshire, SO14 3TJ. Its registered number is 07952979.

3 Receipts and Payments

3.1 At Appendix A is my Receipts and Payments Account covering the period of this report and cumulatively from the date of the Administrators' appointment.

4 Progress of the Administration

4.1 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.

4.2 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.

Administration (including statutory compliance & reporting)

4.3 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.

4.4 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.

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

Court Application

4.6 Creditors will recall, that the Administrators' proposals were sent out to creditors on 30 January 2020. A physical meeting of creditors was subsequently requested by the requisite number of creditors on 11 February 2020 for the purposes of considering and voting on those proposals.

4.7 In compliance with that request, the meeting of creditors was subsequently convened on 11 March 2020 at which my proposals as Administrators were approved by the creditors.

4.8 Following advice received from our solicitors and discussions with the Institute of Chartered Accountants of England and Wales (ICAEW) who regulates the joint Administrators, it has become necessary for the Administrators to make an application to Court on a technical and bespoke point surrounding the time by which our proposals were deemed delivered to and accepted by the Company's creditors.

4.9 I therefore instructed solicitors to make an application seeking a retrospective variation to those dates, which was heard by the Court on Thursday 16 December 2021.

4.10 The Court approved the Administrators' application and granted the relief sought.

4.11 ICC Judge Prentis accepted that the failures to comply with the timing provisions in the Insolvency Rules were "innocent errors". He was satisfied that no prejudice has been caused or will be caused to creditors by this application and said that it was "desirable to make the order sought so as to progress the administration". A copy of the sealed order, together with form AM05, is attached at Appendix F.

4.12 I would like to assure creditors that the costs of the court application will be paid for by the Administrators' firm and will not come out of the funds available for creditors in the Company's administration.

Impact of the Covid-19 Pandemic

4.13 In line with Government guidance the Administrators continue to operate a home-working policy for their own team with the option to return to the office where it is necessary for individuals to successfully complete their role.

4.14 The Collections and Customer Care Teams have continued to maintain operations with minimal disruption. The Customer Care Team have also continued 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

4.15 The loan book at the date of Administration totalled £24,700,050.

4.16 During the period covered by this report a further £840,864.48 has been collected. As at 4 December 2021 the sum of £98,093.71 was held by Barclays Bank which represents the collections for November which had not yet been transferred to the Administrators.

4.17 We have continued to see a reduction in recoveries during this period although at a slightly slower rate, with collections down by £267,000 when compared to the previous six-month period. As a result, collections have reduced to an average of £116,400 every four weeks compared with £157,500 in the prior period.

4.18 Under the FCA's guidance the Company, acting by its Joint Administrators, has continued to support individuals who are experiencing financial difficulties and unable to meet their ongoing repayment obligations. This support has included allowing the customer to defer payments over such period and in such amount as the customer can reasonably afford, including over a period that extends beyond the original term of the loan.

4.19 Given the severe financial implications that have been brought about by the pandemic it remains the Joint Administrators' opinion that the time which it will take to recover the Company's loan book will be prolonged, potentially significantly.

4.20 A sale of part or all of the Company's Loan Book has already been contemplated. However, given the level of anticipated realisations such an assignment would have (12p in the £1.00) it was felt that this would not be in the interest of the Creditors as a whole to proceed with such an assignment.

4.21 The Collections team are continuing to contact borrowers who are not in a payment arrangement to review their circumstances and where possible agree an affordable payment plan going forward.

4.22 Since my last progress report, we have seen a reduction in the claims received for redress and there have been no further redress claims from borrowers with active loans in this period.

4.23 A number of customers have continued to make loan repayments after their borrowing had been repaid. The amounts overpaid have been refunded and total £849.00.

4.24 For the purposes of the Estimated Outcome for Creditors at Appendix E, the Administrators remain cautious in relation to the future collection performance as a result of Covid-19 and the impact that this has had on customers' finances and their ability to make/maintain repayments.

HMRC Repayment

4.25 The Administrators continue to pursue HM Revenue & Customs ("HMRC") in respect of the repayment of Advanced Corporation Tax payments made by the Company.

4.26 I have recently received confirmation that HMRC has also agreed the loss carry back claim albeit this will be set off against the Company's pre-appointment tax liabilities and also the amount owed to the Redundancy Payments Service ("RPS")in respect of the employees' claims for redundancy and notice pay. Having already settled the claims of the preferential creditors the RPS's residual claim is unsecured and I will be seeking advice as to whether set off should therefore apply. In the meantime, I have requested that HMRC make an interim repayment to the Administrators.

4.27 It should be noted that HMRC continues to experience significant ongoing delays as a result of the Coronavirus Pandemic which have impacted on the time it is taking to recover the refunds due to the Company.

Tech Platform

4.28 No action has currently been taken in respect of the realisation of the Tech Platform as it continues to provide an invaluable tool to the Joint Administrators and its agents in connection with the monitoring, progression of and reporting on the level of loan book collections from the Company's customers.

4.29 As a result of the latest challenge over priority of debentures, it has been accepted that Mr Coats has the ownership of the tech platform secured by his debenture. Any funds realised from any sale, remain due to Mr Coats.

Rent Deposit

4.30 As previously reported, the Company's landlord confirmed that the rent deposit had been utilised to meet outstanding rent arrears owed by the Company and no realisations are therefore expected in respect of this asset.

Furniture and Equipment

4.31 Our agents, Lambert Smith Hampton, advised us that the assets had no realisable value but were able to agree a sale to the new tenants that took over the lease. However, they have reported that they have not been able to contact the purchaser since the onset of the pandemic in March 2020.

4.32 HJA Business Solutions Limited was instructed on 14 December 2021 to attempt to recover the balance due in respect of this matter.

Business Rates Refund

4.33 A refund of £9,166.59 was received from Bournemouth, Christchurch and Poole Council in respect of business rates overpaid by the Company.

4.34 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 have been 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)

4.35 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.

4.36 Work undertaken by Administrators in dealing with a company's creditors may only bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, 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 Administrators in dealing with those claims.

4.37 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 5 below.

4.38 At this stage, I would remind creditors of the following:

- 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

4.39 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.

4.40 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.

4.41 Creditors will recall 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.

4.42 Since my last progress report HJA Business Solutions Limited has continued to assist the Administrators in respect of several matters that remained under investigation and have now been concluded.

4.43 Following the completion of the review of the company's SAGE accounting software and the reconciliation of all payments out of the company's bank accounts from July-December 2019, potential loan account balances for two directors (£46,500 each) were reported. We have written to the directors concerned, requesting their comments.

4.44 The records indicated that there was an inter-company loan owed to the Company. The debtor concerned has been struck off by the Registrar of Companies and the Company was dissolved on 7 September 2021. There is therefore no prospect of funds being recovered.

What remains to be done in the Administration

4.45 The Administrators will continue to collect the sums due from customers in order that further payments to secured creditors can be made. Further, the Administrators will implement the Redress methodology and assess whether all historic customers are entitled to any refunds, which will rank as unsecured claims against the company. As a "Prescribed Part" fund has been created by the payment of Floating Charge creditors, it is anticipated that there will be a dividend to unsecured creditors.

5 Estimated Outcome for Creditors

5.1 An Estimated Outcome Statement as at 4 December 2021 is attached at Appendix E. As mentioned above, the estimated future collection performance has been revised in line with current recovery levels which have continued to reduce since the onset of the pandemic. The estimate of ongoing costs is detailed in Appendix D. 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.

5.2 At the present time, it is anticipated there will be sufficient funds available to make a distribution to creditors. The sections below provide details of the anticipated outcome for each class of creditor and further updates will be provided in the Administrators' subsequent progress reports.

Secured Creditors

5.3 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.

5.4 As previously reported, the Administrators received a challenge from one of the Company's Investors relating to the validity and ranking status of a debenture that the Company had granted to that Investor in September 2013. That debenture is shown on the Company's charges register at Companies House as having been satisfied in 2017.

5.5 I do not propose to repeat the background and details of this challenge which were fully documented in my previous progress report.

5.6 As previously reported, the Adminsitrators received a communication from solicitors acting for another Investor (Investor B) challenging the scope of their debenture. Following initial discussions with Counsel, Boyes Turner rejected the challenge.

5.7 The solicitors acting for Investor B made further representations in respect of the challenge, and as a result, the Administrators' advice from their legal team was that no payments should be made to secured creditors until this matter was resolved.

5.8 The Administrators considered the strength of their own legal advice and concluded that the risks to the Administrators of making payments to secured creditors in their due order of priority whilst this challenge remained was minimal and in any event, manageable. The Administrators therefore put sufficient safeguards in place and proceeded to make payments to secured creditors.

5.9 During the period covered by this report the first debenture holder and the balance due in respect of the settlement agreement with the Investor have been settled in full.

5.10 The next six debenture holders have also received a distribution of 60p in the £ in respect of their claims and I hope to be in a position to settle the remaining balance owed to these investors in the coming months.

5.11 Following ongoing communications with Investor B and their solicitors an agreement has been reached in principle and on a subject to contract basis between the Company, the Administrators and Investor B whereby elements of Investor B's secured claim in the Company's administration is compromised. The salient terms of the proposed compromise are set out below.

5.12 Investor B has had a long standing relationship with the Company and has entered into multiple secured loan arrangements with the Company since March 2016.

5.13 At the date the Company entered administration Investor B had four debentures which were marked as outstanding (i.e. had not been satisfied) at Companies House. Those debentures were dated 11 January 2019; 10 May 2019; 25 September 2019 and 17 October 2019 (the "Investor B Debentures").

5.14 The Investor B Debentures are not in the same form as the majority of the other debentures which the Company granted to secured creditors and which remain marked as being 'outstanding'.

5.15 Towards the end of 2020 I was notified of various claims Investor B was making in respect of the extent and priority status of the Investor B Debentures. I subsequently instructed solicitors Boyes Turner and specialist counsel, Mr Neil Levy of Enterprise Chambers, to liaise with Investor B to clarify the Administrators' position in response to those initial claims. In January 2021, Boyes Turner wrote to Investor B disputing the latter's claims regarding the priority status of the Investor B Debentures.

5.16 On 20 January 2021 solicitors acting for Investor B wrote to Boyes Turner and confirmed they had been instructed on behalf of Investor B. They explained that they disagreed with the Administrators' position and the legal advice we had received from Boyes Turner and Mr Levy regarding the Investor B Debentures.

5.17 Subsequent correspondence was exchanged between Boyes Turner and Investor B's solicitors and on 11 February 2021 Boyes Turner received an email from Investor B's solicitor stating "Our client has decided not to pursue the matter any further". However, on 16 February 2021, Boyes Turner received a further letter from solicitors setting out details of other claims which Investor B wanted to bring against the Company, namely that the Investor B Debentures took priority over the vast majority of the debentures granted by the Company to investors in respect of the following assets of the Company:

(i) the Advanced Corporation Tax (ACT) payment due to the Company from HM Revenue and Customs; and

(ii) any repayment of the rent deposit that was payable to the Company by the Company's landlord.

Those claims were later extended to include

(iii) the 'cash at bank' balance that was in the Company's bank on the commencement of the Company's administration; and

(iv) a business rates refund due to the Company.

5.18 I will refer to these classes of assets as the "Secured Assets" but only for the purposes of ease of reference.

5.19 In summary, and notwithstanding the dates when the Investor B Debentures were created, Investor B's claim was that the scope of the Investor B Debentures were more extensive than the scope of the majority of the Company's debentures and that consequently the Investor B Debentures took priority over the other debentures in respect of the Secured Assets.

5.20 As they did with the claims received from the previous Investor, the Administrators sought specialist advice from Boyes Turner and Mr Levy to advise them on the merits of Investor B's claims. That advice remains confidential and privileged, and therefore its details cannot be disclosed. In short however, with the benefit of the advice the Administrators received we could not agree to accept Investor B's claims over the Secured Assets as particularised in their solicitor's correspondence.

5.21 This was communicated to Investor B's solicitor, who had also engaged specialist Counsel, and a significant volume of correspondence was subsequently exchanged between the parties regarding the parties' respective positions over the Investor B Debentures and the Secured Assets. Ultimately it was made clear by the Administrators

that if no agreement could be reached, the Administrators would need to commence legal proceedings for directions as to how to determine the matter once and for all.

5.22 Whilst matters remained unresolved, the Administrators were prevented from making an initial distribution to secured creditors. This served to increase costs in the Company's administration and delayed the progression of the Company's administration, including the distribution process to any further investors.

5.23 In the circumstances the courses of action available to the Administrators were as follows:

1. We accept Investor B's claims that the Investor B Debentures rank ahead of the majority of the Company's other debentures over the entirety of the Secured Assets;

2. We make an application to the Court for directions and determination; or

3. We look to reach a compromise settlement with Investor B in respect of their claims.

5.24 Whilst the Administrators were clear as to the merits of their reasons for not agreeing to the entirety of Investor B's claim over the Secured Assets, the Administrators nevertheless accepted there was some room for differences of opinion and a possibility that if proceedings were to be issued a court might find in favour of Investor B on some part or parts of their claims. If that were to be the outcome there was a possibility that the Company or the Administrators may be subject to costs orders which, for obvious reasons, we wished to avoid.

5.25 In conjunction with the advice the Administrators have received from Counsel and our solicitors, we concluded that the most cost effective and expeditious course of action was to reach a compromised settlement with Investor B in respect of their claims. This would attain certainty, for all parties concerned, avoid further costs being incurred in litigating the matter further and would enable the Company's administration to be progressed.

5.26 In arriving at our conclusion, we considered the following factors:–

Legal Costs

5.27 We estimated that legal costs could, potentially, amount to hundreds of thousands pounds if this matter were to be litigated through the court. As this dispute arises from technical points of law, we would require representation at any Court hearing by specialist Counsel. In addition, our solicitors would be involved with preparing the application and supporting evidence, serving the documentation on all of the remaining Investors whose security pre-dates the Invetor B Debentures, complying with court directions regarding the conduct of the case, attending hearing(s) and dealing with any matters arising in respect of the application. Time would also be incurred in dealing with any communications from legal representatives of those parties to the proceedings.

Administrators' Costs

5.28 Similarly, the Administrators would have increased costs as a result which would include participating in the legal proceedings and dealing with queries from Investors as a result of what could be a significant delay likely in the Company's administration whilst the matter works its way through court. These increased costs have not been accounted for in my original assessment which was provided to the Committee.

Interest

5.29 Whilst an initial distribution has now been made to certain secured investors, the timing of doing this has been significantly delayed, initially because of the claims previously made by the previous Investor in respect of their security, and now because of the claims made by Investor B in respect of the Investor B Debentures. Investor B's solicitors objected to the distribution that the Administrators made to Investors and could therefore be expected to object to any further distributions which the Administrators propose to make whilst Investor B's claims remained unresolved.

5.30 We have estimated that the aforementioned delays have already resulted in significant amounts of additional interest having accrued on the secured debts of those creditors whose security remains outstanding.

5.31 If Court proceedings were required it was unlikely that the Administrators would be able to make any further distributions to creditors until matters had been determined. It was anticipated that if proceedings were undertaken then it could take at least a further 12 months before matters could be finally determined by the Court, which would result in a further significant sum of interest accruing on the secured debts, increasing creditors' claims significantly and would invariably mean that investors who could have received a distribution will lose out to prior ranking investors. The delay would be even more extended if any decision were to be appealed.

Certainty

5.32 As I have explained, the Administrators were mindful of the risks and uncertainty which arise when involved in litigation and consider litigation to be a last resort if and where possible.

5.33 The Administrators therefore entered into negotiations with Investor B and the parties have reached a compromise proposal ("Proposal") in principle.

5.34 The Proposal is that in full and final settlement of their claims over the Secured Assets, the Company will pay Investor B:-

- 50% of any funds received from HMRC in respect of the ACT repayment.

5.35 If the Proposal was not agreed, then Investor B would be at liberty to pursue their claim of circa £2,055,200 in respect of the Secured Assets. This is made up of the ACT refund claimed from HMRC of £1,532,091.13, rent deposit refund of £30,000, £483,936.21 cash at bank balance as at the commencement of Administration and business rates refund of £9,166.59.

5.36 The Administrators allowed any Investor who believed that they may suffer prejudice by this course of action a period of 28 days to provide details of their objection (which must be based on substantive representations).

5.37 As no formal objections were received by the Administrators by 5.00pm on 24 September 2021 the Administrators have been able to confirm the settlement agreement with Investor B. I am pleased to advise that the Settlement Deed has now been agreed, and the Administrators are able to recommence payments to Investors in their due order of priority from the funds currently held.

Preferential Creditors

5.38 As previously reported, Preferential Claims have been agreed at £55,051.23 and relate to Employees' unpaid Holiday Pay. These claims have been settled in full after allowing for tax and national insurance deductions of £6,862.89.

Unsecured Creditors

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

5.40 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

5.41 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 charge holders 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 charge holders 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

5.42 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.

5.43 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.

5.44 The claim from HM Revenue & Customs has increased to £258,477.63 and includes pre-appointment tax liabilities and penalties. In view of the principle of Crown Set Off, HMRC is seeking to set off these liabilities against the tax refund due to the Company. The Administrators have requested their solicitors to advise as to whether the principle of Crown Set Off is applicable in this case.

5.45 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.

5.46 There is one Investor with an unsecured claim of £6,618.76.

Redress Creditors

5.47 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.

5.48 There were 136 upheld claims totalling £76,926 that were not settled prior to the administration.

5.49 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.

5.50 Since the Administrators' appointment 2,376 claims from historic customers amounting to £1,357,900 have been upheld.

5.51 In relation to existing customers, should they have a claim for Redress, any amount agreed will be set off against their outstanding balance. During the period covered by this report no further claims from existing customers have been received.

6 Administrators' Remuneration

6.1 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.

6.2 Our time costs for the Period are £111,350. This represents 353.40 hours at an average rate of 315.08 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.

6.3 Also attached at Appendix C is a cumulative Time Analysis for the period from 5 December 2019 to 4 December 2021 which provides details of the time costs incurred since appointment. The cumulative time costs incurred to date are £679,164.50 and this represents 2,107.42 hours at an average rate of £322.27 per hour.

6.4 To date, £630,635 has been paid on account of these time costs.

6.5 As indicated previously, 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. The Administrators will discuss this further with the Committee in due course.

6.6 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from http://www.fortus.co.uk/recovery/publications/. Attached at Appendix D is additional information in relation to the Administrators' fees, expenses and the use of subcontractors and other professional advisers.

7 Creditors' Rights

7.1 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.

7.2 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.

8 Ending the Administration

8.1 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 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. In the alternative, should there be further assets that require realisation, the Administrators Petition for the Compulsory Winding Up of the Company.

8.2 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.

9 Next Report

9.1 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. Fortus Recovery Limited 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 Fortus Recovery Limited, Grove House, Meridians Cross, Ocean Village, Southampton SO14 3TJ or via email at recovery@fortus.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 June 2021 to 4 December 2021 and cumlatively from the date of the Administrators' appointment

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

Statement of Affairs £		From 05/12/2020 To 04/12/2021 £	From 05/12/2019 To 04/12/2021 £
	SECURED ASSETS		
2,000.00	Furniture & Equipment	NIL	NIL
Uncertain	Tech Platform	NIL	NIL
21,000,000.00	Loan Book	1,848,363.58	4,631,133.05
1,055,382.00	HMRC Repayment	NIL	NIL
531,399.00	Cash at Bank	NIL	483,936.21
30,000.00	Rent Deposit	NIL	NIL
	Contribution Requisitioned Meeting	NIL	3,000.00
	Business Rates Refund	NIL	9,166.59
		1,848,363.58	5,127,235.85
	COSTS OF REALISATION		
	BHC Holdings Direct Costs	663,068.23	1,370,371.88
	Ongoing Bank Charges	11,818.00	22,486.74
	First Data Service Charge/Charge	6,847.74	11,982.39
	Miscellaneous Payments to be Clarified	150.90	150.90
	Repayment re Loans Overpaid (post-appt)	1,648.78	3,487.86
		(683,533.65)	(1,408,479.77)
	SECURED CREDITORS		
(21,875,965.78)	Charge Holders	1,529,064.85	1,529,064.85
		(1,529,064.85)	(1,529,064.85)
	ASSET REALISATIONS		
	Bank Interest Gross	1,267.81	2,359.00
		1,267.81	2,359.00
	COST OF REALISATIONS		
	Accountancy Costs	NIL	12,250.00
	Agent's Costs Outsourced Employee Claims	NIL	3,350.00
	Agents Fees	NIL	750.00
	Agents/Valuers Fees (1)	5,000.00	12,500.00
	Bank Charges	150.00	150.00
	Compliance consultancy fees	140.00	2,100.00
	Counsel & Expert Fees	NIL	5,450.00
	Final Wages	NIL	54,714.68
	Insurance Costs	NIL	112.00
	Legal Fees (1)	69,064.00	170,107.00
	Miscellaneous Payments	1,727.35	1,727.35
	Office Holders Expenses	NIL	215.00
	Office Holders Fees	248,500.00	630,635.00
	Ongoing SAGE Subscription & Sup	NIL	2,866.00
	PAYE & NI	NIL	6,862.89
	Specific Bond	NIL	2,600.00
	Statutory Advertising	NIL	175.00
	VAT	197,452.92	421,836.43
		(522,034.27)	(1,328,401.35)
	PREFERENTIAL CREDITORS		
	DE Arrears & Holiday Pay	NIL	36,924.16
(144,838.67)	Employee Arrears/Hol Pay	NIL	11,264.18
		NIL	(48,188.34)
	UNSECURED CREDITORS		
(76,926.18)	Consumer Creditors	NIL	NIL
(175,121.23)	Employees	NIL	NIL
(6,618.76)	Investors	NIL	NIL

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

Statement of Affairs £		From 05/12/2020 To 04/12/2021 £	From 05/12/2019 To 04/12/2021 £
(208,473.45)	Trade & Expense Creditors	(507.71)	(507.71)
		507.71	507.71
	DISTRIBUTIONS		
(3,000,100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(2,869,263.07)		**(884,493.67)**	**815,968.25**
	REPRESENTED BY		
	Bank 1 Current		615,116.92
	Bank 2 Current		200,343.62
	Unpresented preference payments		507.71
			815,968.25

Appendix B

Time Analysis for the Period from 5 June 2021 to 4 December 2021

Time Entry - Cumulative Detailed SIP9 Time & Cost Summary

6473DJSX - DJS (UK) Limited T/A Piggy-Bank
From: 05/06/2021 To: 04/12/2021
All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Avg Hourly Rate (£)
AAP1 : IN - Case Strategy	6.30	0.00	0.00	0.00	6.30	2,520.00	400.00
AAP2 : IN - Administrative setup incl. Bank ac	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AAP4 : IN - Maintenance of records	0.00	5.70	0.60	24.70	31.00	5,042.00	162.65
AAP5 : IN - Case review	1.00	1.00	0.00	0.00	2.00	640.00	320.00
AAP7 : IN - Bordereau	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AAP8 : IN - Cashiering duties (including billing)	0.20	0.00	0.20	19.80	20.20	2,972.00	147.13
AAP9 : IN - Meetings & Discussions with directors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CLO1 : IN - Case closure	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTAX-01 : IN - Tax reviews / CT600	0.80	2.00	0.00	0.30	3.10	842.00	271.61
IN-TAX02 : IN - Final tax clearance (pre closure)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Administration and planning	8.30	8.70	0.80	44.80	62.60	12,016.00	191.95
CRE2 : IN - Employee Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CRE3 : IN - Unsecured Creditors	4.60	0.40	1.00	0.60	6.60	2,242.00	339.70
CRE4 : IN - Secured Creditors	145.20	17.80	0.00	5.40	168.40	63,150.00	375.00
DIV1 : IN - Dividend calculations (pref & unsecured)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DIV2 : IN - Distributions (pref & unsecured)	0.00	0.20	0.00	2.00	2.20	348.00	158.18
Creditors	149.80	18.40	1.00	8.00	177.20	65,740.00	370.99
INV1 : IN - SIP2 review	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INV2 : IN - CDDA reports (inc SOA)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INV3 : IN - Investigating antecedent transactions	5.20	9.40	0.00	9.30	23.90	5,731.00	239.79
Investigations	5.20	9.40	0.00	9.30	23.90	5,731.00	239.79
ROA1 : IN - Identifying, securing, insuring assets	17.20	6.40	0.00	0.00	23.60	8,416.00	356.61
ROA2 : IN - Retention of Titile	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ROA3 : IN - Debt collection	6.60	16.80	0.00	0.00	23.40	6,672.00	285.13
ROA4 : IN - Property, business and asset sales	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	23.80	23.20	0.00	0.00	47.00	15,088.00	321.02
AAP3 : IN - Appointment notifications	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AAP6 : IN - Statutory reporting	16.30	25.50	0.00	0.90	42.70	12,775.00	299.18
Statutory Compliance	16.30	25.50	0.00	0.90	42.70	12,775.00	299.18
Total Hours	203.40	85.20	1.80	63.00	353.40	111,350.00	315.08
Total Fees Claimed						630,635.00	

Appendix C

Cumulative Time Analysis for the Period from 5 December 2019 to 4 December 2021

Time Entry - Cumulative Detailed SIP9 Time & Cost Summary

6473DJSX - DJS (UK) Limited T/A Piggy-Bank
From: 05/12/2019 To: 04/12/2021
All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Avg Hourly Rate (£)
AAP1 : IN - Case Strategy	112.70	22.25	3.25	0.30	138.50	51,184.00	369.56
AAP2 : IN - Administrative setup incl. Bank ac	0.50	0.20	0.00	0.90	1.60	356.00	222.50
AAP4 : IN - Maintenance of records	1.55	53.12	0.85	117.93	173.45	30,120.00	173.65
AAP5 : IN - Case review	24.10	2.00	0.00	7.10	33.20	11,185.00	336.90
AAP7 : IN - Bordereau	0.00	0.00	0.00	0.40	0.40	48.00	120.00
AAP8 : IN - Cashiering duties (including billing)	2.45	1.30	0.20	76.69	80.64	11,652.50	144.50
AAP9 : IN - Meetings & Discussions with directors	51.00	1.70	0.00	6.00	58.70	21,540.00	366.95
CLO1 : IN - Case closure	0.30	0.30	0.00	0.00	0.60	192.00	320.00
INTAX-01 : IN - Tax reviews / CT600	11.85	6.05	0.00	0.50	18.40	6,294.00	342.07
IN-TAX02 : IN - Final tax clearance (pre closure)	0.60	0.00	0.00	0.00	0.60	240.00	400.00
Administration and planning	205.05	86.92	4.30	209.82	506.09	132,811.50	262.43
CRE2 : IN - Employee Creditors	11.50	7.95	11.05	9.90	40.40	10,041.00	248.54
CRE3 : IN - Unsecured Creditors	113.05	18.91	3.30	13.63	148.89	52,984.00	358.16
CRE4 : IN - Secured Creditors	547.70	60.85	0.30	18.90	627.75	236,552.00	376.52
DIV1 : IN - Dividend calculations (pref & unsecured)	0.00	0.00	0.00	1.90	1.90	228.00	120.00
DIV2 : IN - Distributions (pref & unsecured)	0.00	4.30	0.00	5.26	9.56	1,747.00	182.74
Creditors	672.25	92.01	14.65	49.59	828.50	301,552.00	363.97
INV1 : IN - SIP2 review	14.60	13.27	0.00	1.00	28.87	9,250.00	320.40
INV2 : IN - CDDA reports (inc SOA)	1.50	0.70	0.00	0.00	2.20	780.00	354.55
INV3 : IN - Investigating antecedent transactions	30.00	19.50	0.00	9.60	59.10	18,132.00	306.80
Investigations	46.10	33.47	0.00	10.60	90.17	28,162.00	312.32
ROA1 : IN - Identifying, securing, insuring assets	59.65	19.00	3.20	0.00	81.85	29,180.00	356.51
ROA2 : IN - Retention of Title	0.00	0.20	0.00	0.00	0.20	48.00	240.00
ROA3 : IN - Debt collection	55.00	104.80	0.00	0.00	159.80	47,296.00	295.97
ROA4 : IN - Property, business and asset sales	13.00	0.30	0.50	0.00	13.80	5,372.00	389.28
Realisation of Assets	127.65	124.30	3.70	0.00	255.65	81,896.00	320.34
AAP3 : IN - Appointment notifications	1.75	2.70	0.00	0.00	4.45	1,360.00	305.62
AAP6 : IN - Statutory reporting	200.65	209.13	5.25	7.53	422.56	133,383.00	315.65
Statutory Compliance	202.40	211.83	5.25	7.53	427.01	134,743.00	315.55
Total Hours	1,253.45	548.53	27.90	277.54	2,107.42	679,164.50	322.27
Total Fees Claimed						630,635.00	

Appendix D

Additional Information in Relation to the Administrators' Fees, Expenses & the use of Subcontractors and other Professional Advisers

Additional Information in Relation to the Administrators' Fees, Expenses and the use of subcontractors and other professional advisers in accordance with the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 and Statement of Insolvency Practice 9

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 utilised the services of the subcontractors noted below. It is considered that the cost of subcontracting this work to specialist contractors will be less than, or equivalent to, the cost of these services being undertaken by the office holder(s) or their staff and the outsourcing of this work will bring greater efficiency to this element of the work necessary in the Administration.

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.

Service (s)	**Provider**	**Basis of fee arrangement**
Legal Advice	Boyes Turner LLP	Hourly rate and disbursements
Accountancy Services	Mazars LLP	Hourly rate and disbursements
Compliance Advice	DJ Compliance	Hourly rate and disbursements
Counsel & Expert Advice	Enterprise Chambers	Hourly rate and disbursements

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.

Administrators' Expenses

The estimate of expenses which were anticipated in 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	Paid in prior periods £	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	1,058,432.24	311,939.64	53,061.57	1,973,433.00
External FCA Compliance Officer	Assist the Administrators with FCA regulated matters	2,100.00	0.00	0.00	4,360.00
First Data	Merchant Services for Card Collections	3,293.65 (from funds held) plus 8,997.18	2,985.21	0.00	36,000.00
Boyes Turner Solicitors	Review of securities. Priority of charges advice. Discussions with Counsel. Ongoing advice as required.	147,704.00	22,403.00	3,430.00	200,000.00
Neil Levy – Enterprise Chambers	Counsel and Expert Fees	5,4500.00	0.00	0.00	10,000.00
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	0.00	0.00	750.00
Mazars	Accountancy advice and assistance in relation to the recovery of ACT.	12,250.00	0.00	0.00	12,250.00
HJA Business Solutions	Statutory investigations	7,500.00	5,000.00	0.00	12,500.00
Centrepoint Software	SAGE 200 subscription and support	2,866.00	0.00	0.00	2,866.00
Evolve IS	Processing employee claims	3,350.00	0.00	0.00	3,350.00
Legal & Public Notices	Statutory Advertising	175.00	0.00	0.00	175.00
Office Holders' Expenses	Travel & Subsistence	90.00	0.00	0.00	90.00
Jurys Inn	Meeting room hire	125.00	0.00	0.00	125.00
Marsh Ltd	Specific Bond	2,600.00	0.00	0.00	2,600.00
Marsh Ltd	Insurance of assets	112.00	0.00	0.00	112.00
E.ON	Final utilities for trading premises	0.00	1,727.35	0.00	1,727.35

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 as the estimate was for a 12 month period. These costs continue to be monitored by the Administrators.

The Administrators have revised the total anticipated cost in respect of legal expenses to £200,000. This has been necessary as a result of claims made by secured creditors regarding the extent and priority-ranking of their respective securities. These additional legal costs include substantive correspondence with the Administrators, Counsel and the Solicitors representing the respective secured creditors.

Category 1 expenses

These expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses may include disbursements which are payments first met by an office holder and then reimbursed from the estate.

Category 2 expenses

These expenses 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 therefore include payments to associates of the office holder or shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Details of Category 2 expenses charged by this firm (where appropriate) were provided at the time the Administrators' fees were approved.

Charge-Out Rates

Fortus Recovery Limited's current charge-out rates effective from 19 March 2018 are detailed 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
With effect from 1 March 2021 specialist departments within Fortus Business Advisors & Accountants, 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 & Consultants	200-250
Senior Managers & Managers	125-200
Supervisors	85-125
Administrators and Support Staff	45-95

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 DURING THE PERIOD	REASONS WHY TASK UNDERTAKEN AND BENEFIT
ADMINISTRATION AND PLANNING & STATUTORY COMPLIANCE 105.30 HOURS £24,791.00 £235.43/HR		
Case management	Ongoing strategy meetings to review in particular success of loan book recoveries, the impact of the Coronavirus pandemnic and extent of ongoing redress claims to ensure that the purpose of the Administration remains achievable Liaising with Financial Conduct Authority regarding case strategy to ensure compliant with FCA regulations Ongoing correspondence with former directors and advisors to assist with enquiries Facilitating recovery of loan book and weekly reporting to Financial Conduct Authority in respect of loan book recoveries, extent of redress claims and complaint levels. Ongoing monitoring and updating of internal systems and maintaining of estate accounts Monitoring bond levels for any increase required Review and analysis of Company records as necessary and continue to ensure safe storage/disposal of any relevant company data Ongoing six monthly file review	Statutory requirement
Reports, circulars notices and decisions	Preparation and sending of six monthly progress report to creditors Dealing with any queries arising from progress report Maintaining creditors' list for circulation	Statutory requirement
Committee	Ongoing correspondence and telephone discussions with committee members	Allows creditors to be involved in the decision making process
Cashiering	Manage and maintain estate bank accounts Liaising with pre-appointment bankers to facilitate regular transfer of funds to administration bank accounts	

	Arranging and accounting for the various receipts and payments of the Company Undertake bank reconciliations	
Tax	Ongoing communication with former accountants regarding the pre-appointment tax returns and refund due Liaising with HMRC in respect of refund due to the Company Ongoing completion of VAT returns Completion of corporation tax returns for the period of the administration	
REALISATION OF ASSETS 47 HOURS £15,088.00 £321.02/HR		
Loan Book	Ongoing review of loan book to establish potential recoveries and extent of delinquent debt Monitoring recovery of loan book and delinquent debt and ensuring ongoing regulatory compliance Maintaining operations in order to maximise realisations, deal with customer complaints and redress claims Overseeing communication with customers and monitoring collections Ongoing weekly monitoring of recoveries against initial projections Liaising with potential interested parties Weekly management meetings with debt collection team Dealing with ongoing requests for refunds where overpayments made	Maximise collections in respect of loan book asset Maximising recoveries for the benefit of creditors
Cash at Bank	Liaising with former bankers regarding ongoing banking requirements	Maximising recoveries for the benefit of creditors

	Ongoing monitoring of funds received and reconciliation of weekly statements Liaising with Merchant Provider First Data to agree continuation of facilities	
HMRC Repayment	Ongoing correspondence with accountants and HMRC in respect of tax refund due to the Company	Maximise potential recoveries for creditors
Insurance	Reviewing insurance arrangements to ensure that appropriate insurance cover in place	Preserve the value of the Company's assets
INVESTIGATIONS 23.90 HOURS £5,731.00 £239.79/HR		
Ongoing investigations	Ongoing evaluation of information received to identify any matters that may require further investigations or any assets that may lead to recoveries for the estate Reviewing physical and electronic records to assist with ongoing investigations	May not provide financial value but required to comply with office holders duties
CREDITORS 177.20 HOURS £65,740.00 £370.99/HR		
Secured Creditors / Investors	Ongoing discussions and meetings with investors Preparing and circulating interim reports for investors In conjunction with Boyes Turner dealing with investors' queries and concerns regarding priority of security / debentures In conjunction with Boyes Turner, reviewing a claim submitted by another Investor in which they are seeking to challenge ownership of the Cash at bank at the outset of the Administration, the Advance Corporation Tax due to the company and the Rates refund. Agree and the claims of the first debenture holders to be paid and calculate interest accruing in respect of those claims	Determine the order of priority in respect of any dividends

	Settle the claim of the first debenture holder and the amount due in respect of the Investor's settlement agreement Make a distribution of 60 pence in £ to the next six debenture holders	
Employees	Dealing with employee related queries Maintaining database in respect of claims agreed	Statutory requirement
Unsecured	Maintain creditors information and claim details on internal systems Respond to ongoing queries and enquiries received Ongoing statutory reporting	Statutory requirement
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.
Redress Creditors	Ongoing assessment of claims from existing customers and applying set-off in respect of outstanding loan facilities where a valid redress claim is identified Overseeing and monitoring the correspondence from redress creditors and the assessment of their claims to ensure the purpose of the Administration remains achieveable	Regulatory requirment

Appendix E

Estimated Outcome Statement as at 4 December 2021

DJS (UK) Limited - In Administration

Estimated Outcome Statement as at 4 December 2021

		Estimated to realise - £
Realisations		
Loan Book		15,000,000
HMRC Repayment		1,275,896
Tech Platform		Uncertain
Furniture and equipment		Uncertain
Cash at Bank		483,936
Rent Deposit		0.00
Contribution Requisitioned Meeting Costs		3,000
Credit Interest		1,500
Business Rates Refund		9,166
		16,773,498
Estimated costs of Administration		
Estimated expenses as per Appendix D	2,262,838	
Administrators' fees (estimated)	1,100,000	
Ongoing bank charges	33,729	
Final wages	54,715	
Irrecoverable VAT	672,567	-4,123,849
Total funds available for Preferential creditors		12,649,649
Preferential Creditors		
Employees' claims		-55,051
Net Floating Charge Realisations		12,594,598
Less - Prescribed Part Fund		-600,000
Available for Floating Chargeholders		11,994,598
Floating Charge Creditors		21,800,000
Prescribed Part Fund - Available for Unsecured Creditors		600,000

Notes

1. The Administrators have revised the estimate for recovery of the Loan Book

2. The amount estimated to be recovered from the HMRC repayment has been reduced as HMRC is seeking Crown Set Off

3. The estimated costs are summarised in Appendix D

4. There will be a shortfall in respect of Floating Chargeholders

5. 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 from the Prescribed Part fund

6. VAT is not recoverable

Appendix F

Copy of Sealed Court Order together with Form AM05

Rule 3.40 of the Insolvency (England & Wales) Rules 2016

AM05

Notice of extension of time to seek approval of administrator's proposals

Companies House

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

1 Company details

Company number	0 7 9 5 2 9 7 9
Company name in full	DJS (UK) Limited T/A Piggy-Bank

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

2 Court name

In The High Court of Justice Business and Property
Courts of England and Wales

3 Court number

C R - 2 0 1 9 - 0 0 8 1 8 3

4 Administrator's name

Full forename(s)	Shane
Surname	Biddlecombe

5 Administrator's address

Building name/number	Grove House
Street	Meridians Cross, Ocean Village
Post town	Southampton
County/Region	Hampshire
Postcode	S O 1 4 3 T J
Country	

6 Administrator's name ❶

Full forename(s)	Gordon
Surname	Johnston

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

AM05

Notice of extension of time to seek approval of administrator's proposals

7 Administrator's address ❷

Building name/number	Grove House
Street	Meridians Cross, Ocean Village
Post town	Southampton
County/Region	Hampshire
Postcode	S O 1 4 3 T J
Country	

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

8 Date period extended to

Date	d 1 d 1 m 0 m 3 y 2 y 0 y 2 y 0

9 Sign and date

Signature	Signature X X
Signature date	d 2 d 1 m 1 m 2 y 2 y 0 y 2 y 1

AM05

Notice of extension of time to seek approval of administrator's proposals

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: Fortus Recovery Limited

Address: Grove House, Meridians Cross
Ocean Village

Post town: Southampton

County/Region: Hampshire

Postcode: S O 1 4 3 T J

Country:

DX:

Telephone: 0808 196 8676

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 signed and dated 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

CR-2019-008183

IN THE HIGH COURT OF JUSTICE

BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES

INSOLVENCY AND COMPANIES LIST (ChD)

IN THE MATTER OF DJS (UK) LIMITED – IN ADMINISTRATION

AND IN THE MATTER OF THE INSOLVENCY ACT 1986

BEFORE: INSOLVENCY AND COMPANIES COURT JUDGE PRENTIS

DATE: 16 DECEMBER 2021

GORDON JOHN JOHNSTON AND SHANE BIDDLECOMBE
(AS JOINT ADMINISTRATORS OF DJS (UK) LIMITED)

Applicants

ORDER

UPON the application of Gordon John Johnston and Shane Biddlecombe of Fortus Recovery Limited, Meridians Cross, Grove House, Southampton SO14 3TJ, as the Joint Administrators of DJS (UK) Limited), dated 10 December 2021

AND UPON reading the witness statement of Shane Biddlecombe dated 10 December 2021

AND UPON hearing counsel, Mr Amit Gupta, for the Applicants by Microsoft Teams

IT IS ORDERED THAT:

1. Pursuant to paragraphs 49(8) and 107 of Schedule B1 to the Insolvency Act 1986, the date by which the proposals of Gordon John Johnston and Shane Biddlecombe (the "**Administrators**") were to be delivered to the creditors of DJS (UK) Limited (the "**Company**") under paragraphs 49(4) and 49(5) of Schedule B1 to the Insolvency Act 1986 be retrospectively varied and extended to "4 February 2020".

2. Pursuant to paragraphs 52(4) and 107 of Schedule B1 to the Insolvency Act 1986, the initial decision date by which the Administrators had to seek a decision from the creditors of the Company to approve the Administrators' proposals pursuant to paragraphs 51(2), 51(3) and 52(3) of Schedule B1 to the Insolvency Act 1986 be retrospectively varied and extended to "11 March 2020".

3. The Administrators' costs of and incidental to this application be paid by Fortus Recovery Limited and are not to be treated as an expense in the Company's administration.

Service of this order

A sealed copy of this order has been provided to the Applicants' solicitors for service: Boyes Turner LLP, Abbots House, Abbey Street, Reading RG1 3BD